

Appendix

Appendix A: Raton Downtown Survey Matrix

Appendix B: Market Assessment

Appendix C: Catalyst Project Economic Analyses

Appendix D: Street Concept Cost Estimates

Appendix E: Grant and Funding Resources

Appendix E: Economic Development Glossary

Appendix G: Sample Historic Overlay Zoning Regulations

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Appendix A

Raton Downtown Survey Matrix

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RATON DOWNTOWN SURVEY MATRIX

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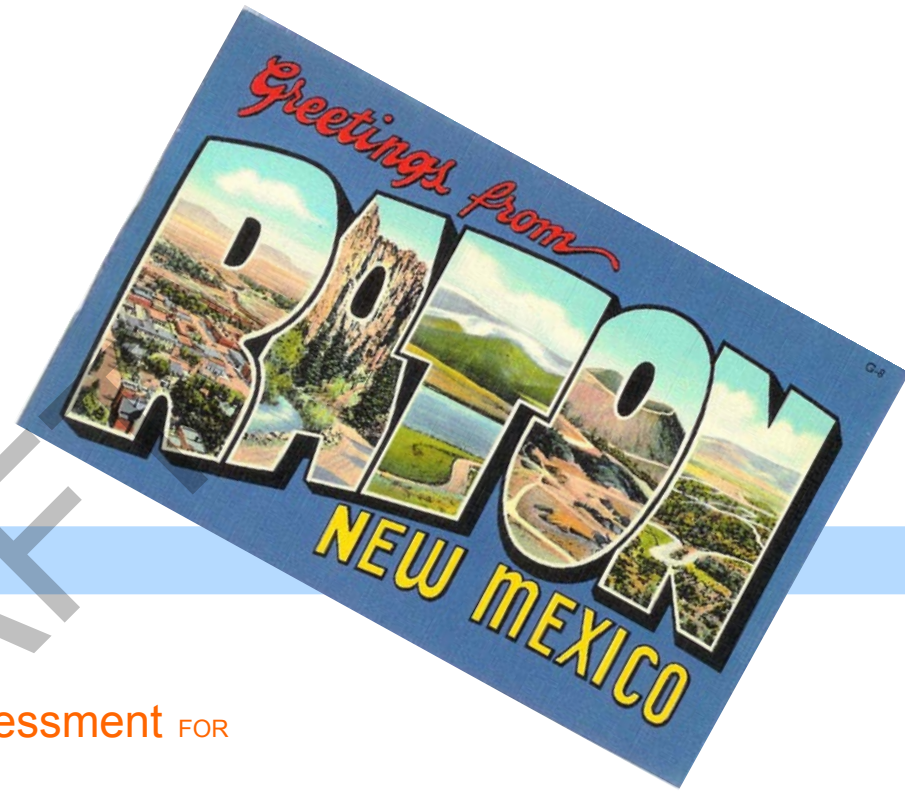
RATON DOWNTOWN SURVEY MATRIX

CATEGORY	PUBLIC AT LARGE										DOWNTOWN BUSINESS OWNER										RES. PROPERTY OWNERS										TOTAL	OVERALL RANKING		
	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10				
NOT PEDESTRIAN FRIENDLY																															2			
LACK OF BENCHES & REST AREAS																																		
HIGH TRAFFIC SPEED																																		
NO OPEN - AIR MARKET																																		
DIFFICULTY WORKING WITH RAILROAD																																		
DIFFICULTY WITH BUILDING PERMITTING / INSPECTION																																		
NO RESTROOMS OR PHONES @ TRAIN DEPOT																																		
COMMUNITY SUGGESTIONS																																		
MORE PEDESTRIAN FRIENDLY																																		
ANGLED PARKING IN RESIDENTIAL AREAS & 2ND STREET																																		
PAINTED HORSE EVENT																																		
PUBLIC ART																																		
CAR SHOW																																		
ENTERTAINMENT / ARTS DISTRICT																																		
PEDESTRIAN BUMP-OUTS																																		
MAKING 2ND STREET 2-LANES																																		
PEDESTRIAN MALL																																		
POWER PLANT TOURS																																		
TOWN SQUARE / OPEN-AIR MARKET																																		
MORE LANDSCAPING																																		
BETTER RETAIL MIX																																		
KEEP PUBLIC FACILITIES DOWNTOWN																																		
KIOSK @ VISITORS CENTER & NRA																																		
TRANSPORTATION / SHUTTLE TO POINTS OF INTEREST																																		
ENCOURAGE EXPANSION OF HIGHER EDUCATION																																		
BUSINESS / REDEVELOPMENT INCENTIVES																																		
HERITAGE / HISTORY AS FOCUS																																		
HEALTH / FITNESS / RECREATION AS FOCUS																																		
WALKING TOURS																																		
UNIQUE ATTRACTIONS (BUTTERFLY HOUSE)																																		
IMPROVE GATEWAYS																																		
TRAFFIC CALMING MEASURES (2ND STREET)																																		
IMPROVE CODE ENFORCEMENT																																		
DISABILITY PROGRAM TO HELP WITH COMMUNITY SERVICE (CLEAN UP)																																		
GEO-CACHING																																		
OLD PASS, GOAT HILL, K.T. BOUNDARY - DEATH OF DINOS (ATTRIBUTES)																																		
COMMUNITY SERVICE AS A FINE OR PUNISHMENT																																		
COORDINATE WITH WWII MEMORIAL																																		
ILLUSTRATED ORIGINAL TOWN SITE TOUR																																		
PRACTICE ACCOUNTABILITY																																		
HOSPITAL																																		
EDUCATION / INFO-SHARING ON SMALL BUSINESS STARTING																																		
MARKETING OF RATON THROUGH TOURISM BOARD																																		
BUILDING OWNERS / LAND OWNERS																																		
NATIVE PLANT GARDEN ON EAST SIDE OF TRACKS																																		
OUTDOOR WATER PARK																																		
GET CHILDREN DOWNTOWN = GETING PEOPLE DOWNTOWN																																		
CONNECTIVITY TO ROUND HOUSE PARK FROM DOWNTOWN																																		
COMMUNITY PURCHASE THEATER (I.E. ECKLUND HOTEL - CLAYTON)																																		
PAINTING PARKING STRIPES																																		
LEARNING CENTER (EDUCATION FACILITY) N.M. HIGHLANDS (ATTRIBUTES)																																		
GOLF COURSE (ATTRIBUTES)																																		
PIG HUNT / TREASURE HUNT																																		
BEARS AS PART OF THEME ALONG WITH ELK & ANTELOPE																																		
INVOLVE COMMUNITY IN CLEAN - UP EFFORTS																																		

Appendix B

Market Assessment

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Preliminary Market Assessment FOR Main Street Raton

Raton, NM

Prepared for:

City of Raton
Raton, NM

Prepared by:

 **LELAND CONSULTING GROUP**

8200 So. Quebec Street, Suite A3-104
Centennial, Colorado 80112
www.lelandconsulting.com

10 April 2008 (revised 7 July 2008)

Market Assessment

- Study Area / Trade Area Definition
- Demographic / Economic / Psychographic Profile
- Residential Market
- Retail Market
- Lodging Market
- Site Analysis
- Key Existing Opportunity Segments
- Potential Impact of a Raton Racino on Downtown
- Conclusions, Strategies

Study Area Identification

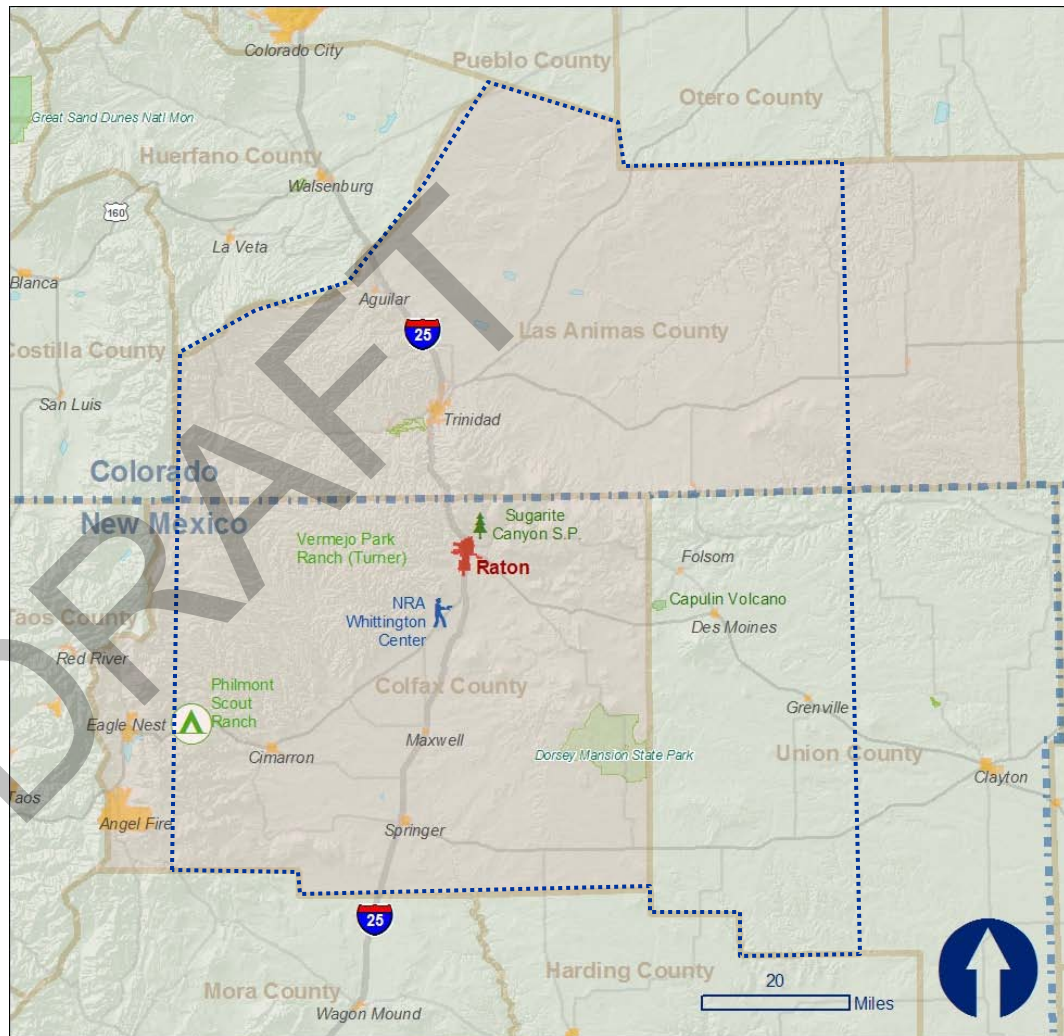
The study area for the Main Street Raton master-plan effort encompasses a substantial portion of historic downtown Raton, NM. The exact study area boundaries run approximately from **Legion Park on the south to Francis St. on the north, and from 6th St. on the west to the railroad on the east.** (shown in map form in a later section)

Trade Area Identification

A trade area is intended to encompass the majority of sources of demand (esp. in the case of retail) as well as the primary competitive set for residential and other land uses contemplated for the study area. The nearest major markets of Albuquerque, NM and Pueblo, CO, along with natural barriers and highway corridors help to define what is likely an irregularly shaped market draw. For purposes of data availability and simplicity of communication, this analysis assumes that **Colfax County, NM and Las Animas County, CO together comprise a close approximation of the regional trade area.**

Because of its interstate location and the proximity of major travel attractions (discussed later), some of the market for Main Street Raton's offerings (prospective retail customers and home-buyers) may reside well outside this area.

Figure 1
Raton and Trade Area Boundary



Population Geography

Raton itself makes up just under one-quarter of the trade area population while the City of Trinidad accounts for 32%. Since 2000, Raton's households have declined slightly, while trade area households have grown at an annual pace of between 0.4% and 0.9% (according to Claritas Inc. and state sources, respectively).

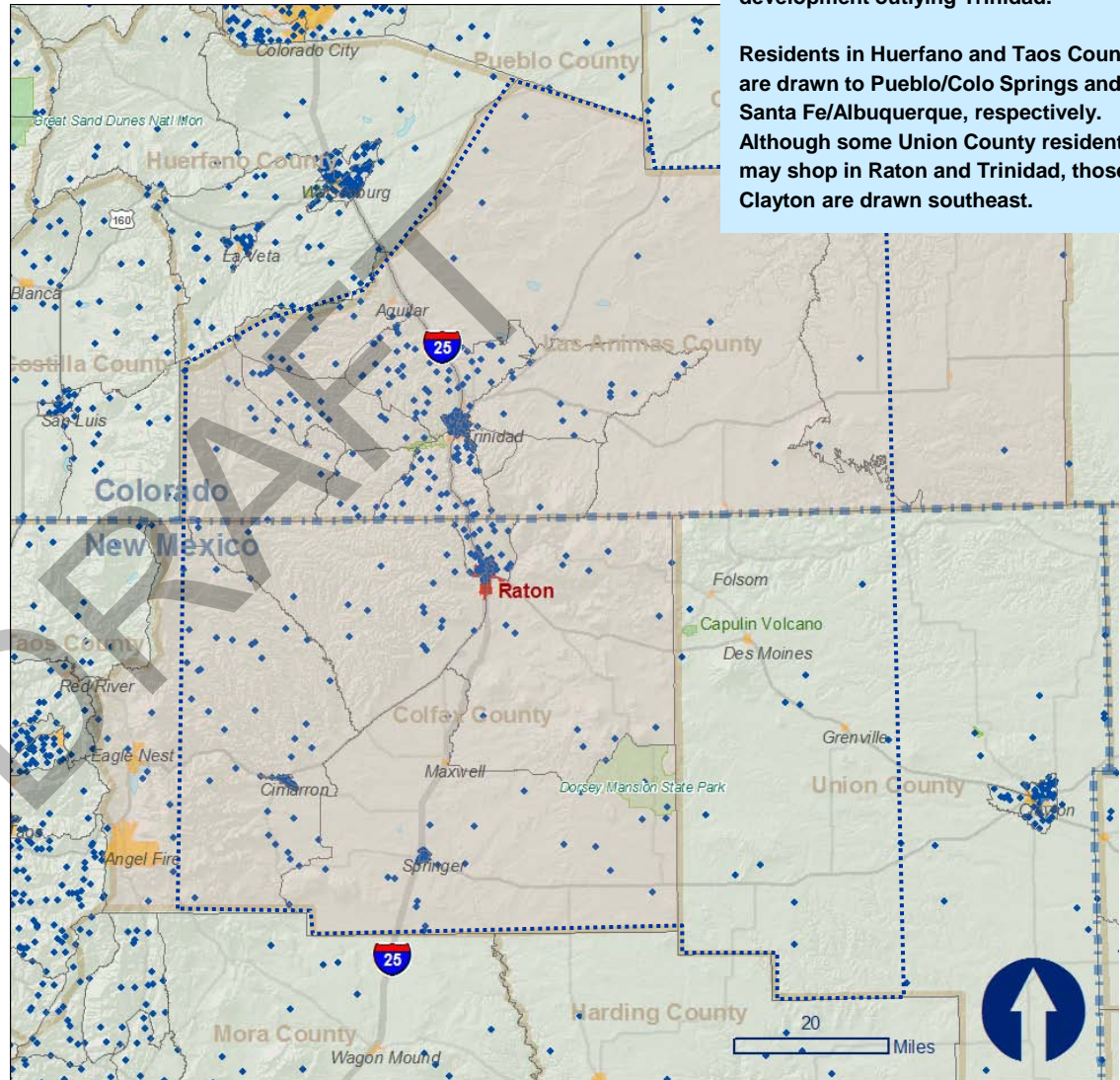
Table 1
Population and Household Growth

	Raton	Trade Area
Population		
2000 Census	7,282	29,396
2007 est.	6,872	29,449
2000-2007 CAGR*	-0.8%	0.0%
Households		
2000 Census	3,035	11,994
2007 est.	2,957	12,302
2000-2007 CAGR*	-0.4%	0.4%

*CAGR = Compound Annual Growth Rate

Note: Claritas estimates (shown) reflect slower growth than estimates from state sources

Figure 2
Population Density



Significant population density in the trade area is limited to Raton itself, along with Trinidad and unincorporated ranchette development outlying Trinidad.

Residents in Huerfano and Taos Counties are drawn to Pueblo/Colo Springs and Santa Fe/Albuquerque, respectively. Although some Union County residents may shop in Raton and Trinidad, those in Clayton are drawn southeast.

Sources: U.S. Census, Claritas Inc.; and Leland Consulting Group

Raton Growth: City Limits versus Service Area

Data from the City of Raton Water Department suggests that the City of Raton and its outlying rural service area are both growing somewhat faster than Census-based figures would suggest. The outlying area is growing more rapidly than the City itself – consistent with local perceptions.

Table 1a
Raton Household Growth: Water Tap Data

	City Limits	Rural Service Area	Total Service Area
Residential Taps			
2000	2,734	295	3,029
2008	2,762	338	3,100
2000-2008 CAGR*	0.13%	1.72%	0.29%

Water tap data suggest that growth within Raton's rural service area (but outside the city limits) is more than 13 times the rate of City growth.

This household growth is still small in terms of absolute numbers – with some 50 net new households added to the rural service area since 2000, versus just 28 net new taps added in the City.

As part of its implementation strategy piece, Leland Consulting Group will investigate the fiscal impact of changing the City's policy towards annexation of outlying areas.

*CAGR = Compound Annual Growth Rate

Note: Claritas estimates (shown) reflect slower growth than estimates from state sources

Sources: City of Raton Water Dept.; Leland Consulting Group

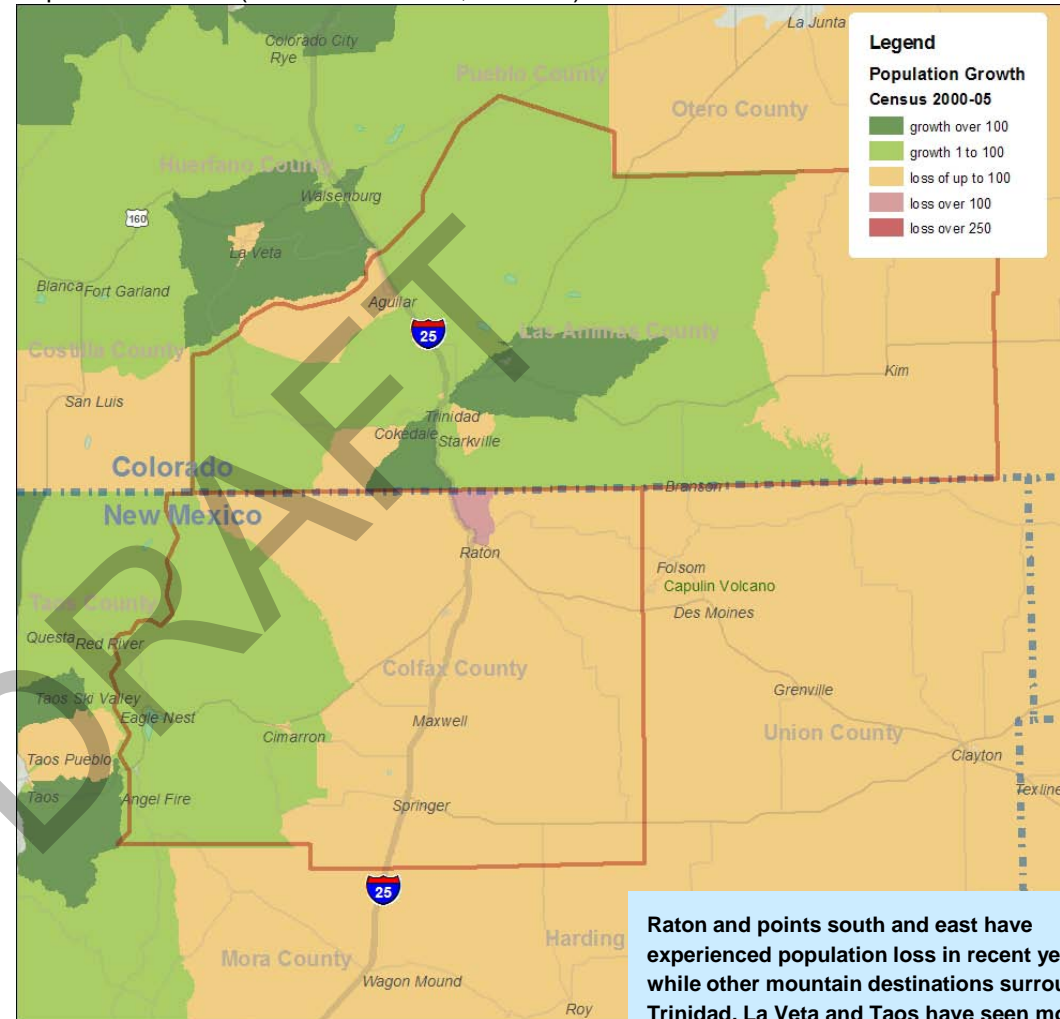
Population and Household Growth

To arrive at household growth projections (the primary basis for residential and retail forecasting models) this analysis uses county-level projections produced by the University of New Mexico and Colorado's Division of Local Affairs. The population growth rates projected for 2005 through 2015 is used to approximate household growth rates over the next ten years. Over that period, Las Animas County is projected to grow by 1.9% annually versus 0.6% annually for Colfax County, for a combined rate of 1.3% per year. Claritas Inc., an independent census-based demographics firm, projects a lower, 0.3% annual combined rate for the trade area. Because recent building permit trends appear more consistent with the lower estimate, we use a **blended rate of 0.8% annual trade area household growth**.

Table 2
Projected Household Growth

	Trade Area
Households	
2007	13,302
2017 proj.	13,322
CAGR (Compound Annual Growth Rate)	0.8%
*Note: Current year estimates and growth rates are a blend of Claritas and state-sourced rates with LCG adjustments)	

Figure 3
Population Growth (Census estimated, 2000-05)



Raton and points south and east have experienced population loss in recent years, while other mountain destinations surrounding Trinidad, La Veta and Taos have seen modest population (as well as non-resident homeowner) growth.

Sources: UNM; Colorado Division of Local Affairs; U.S. Census, Claritas Inc.; and Leland Consulting Group

Age Demographics - Seniors

Senior population concentrations can be found in parts of Raton, Trinidad, Clayton and the La Veta/Walsenburg area, as well as some rural expanses south and east.

Consistent with national (Baby Boomer) trends, trade area senior populations are growing while younger age groups are generally in population decline (with the interesting exception of ages 25-34). As discussed later in this report, Raton should be able to capitalize on its nearby recreational opportunities to attract not only retirees, but also younger adults drawn to outdoor leisure (but open to more urban-feeling downtown settings).

Figure 5
Growth Rates by Age (Trade Area)

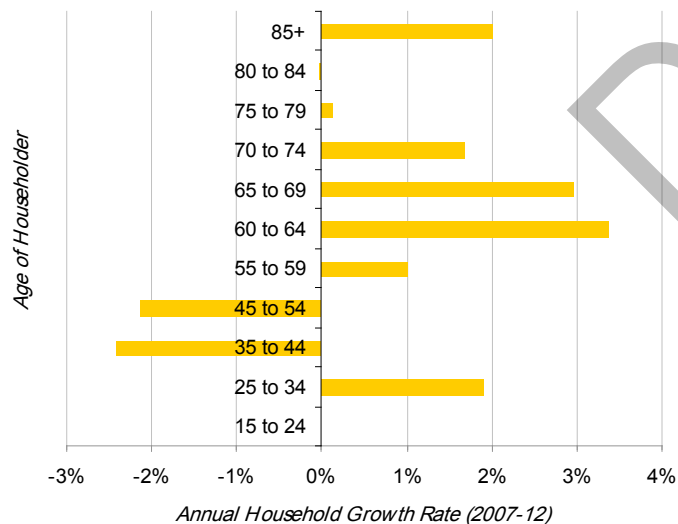
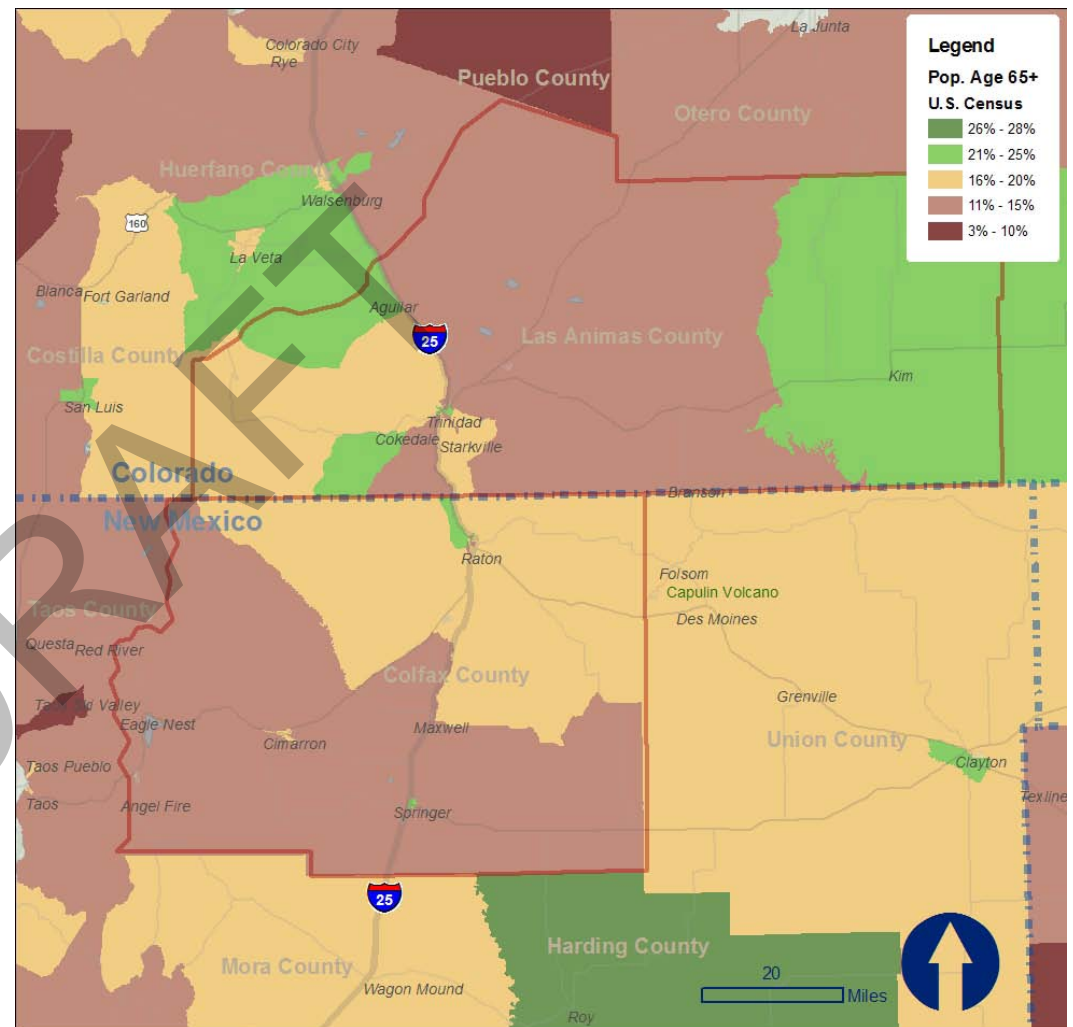


Figure 4
Senior Population Distribution



Sources: U.S. Census, Claritas Inc.; and Leland Consulting Group

Age Demographics - continued

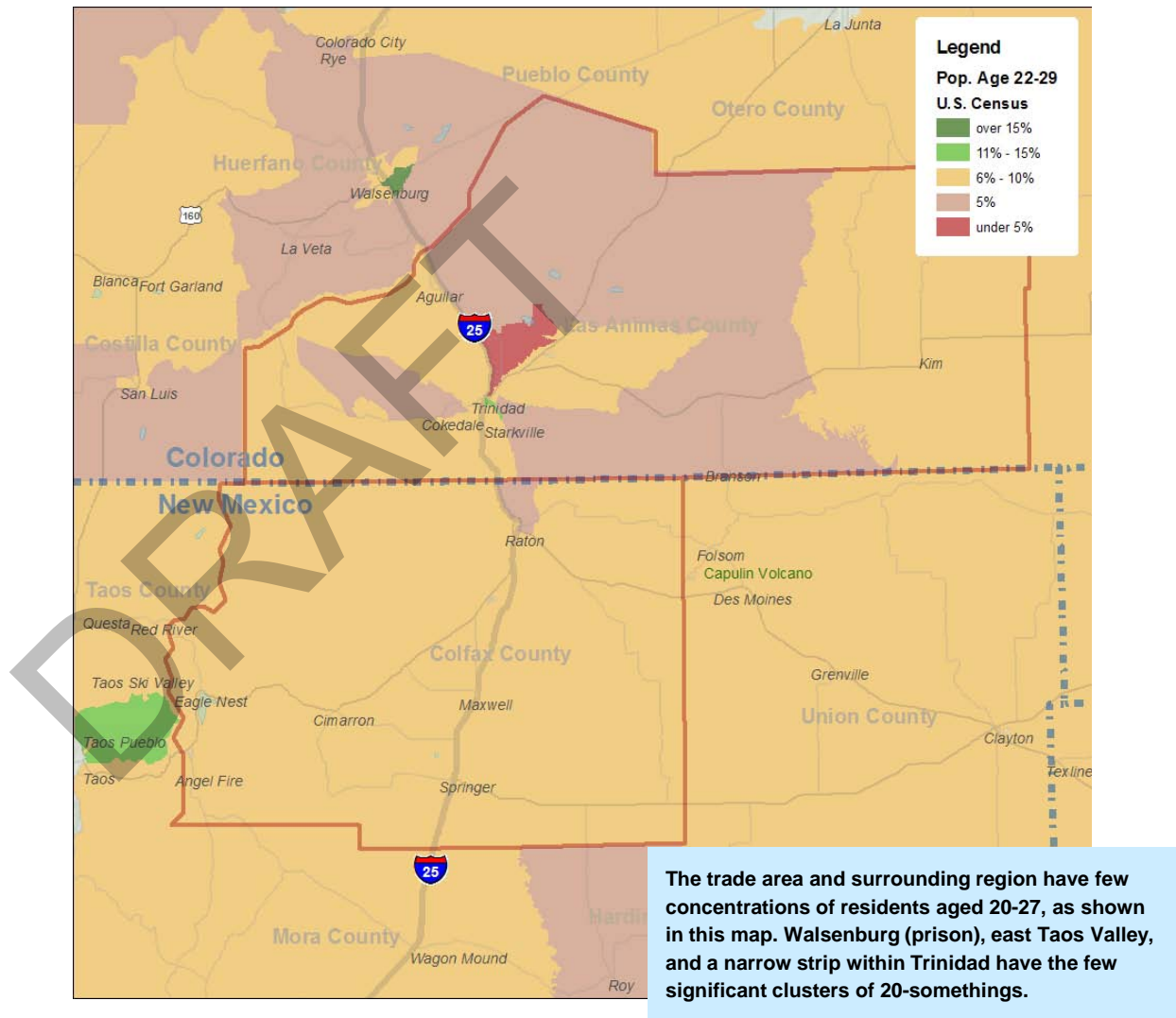
The trade area is home to concentrated pockets of 20-something adults, especially in the neighborhoods nearest to the southwest boundaries of Region International Airport.

While the Raton area skews slightly high on residents below age 17, they skew slightly low for those aged 25-34. The trade area overall is quite similar to the northern New Mexico in terms of its age profile.

Table 3
Population Age Distribution (2007)

	Raton	Trade Area
0-17	23%	22%
18-24	8%	9%
25-34	10%	10%
35-44	12%	12%
45-54	15%	15%
55-64	13%	14%
65 and up	19%	18%
total	100%	100%

Figure 6
Population Aged 22-29



Sources: U.S. Census, Claritas Inc.; and Leland Consulting Group

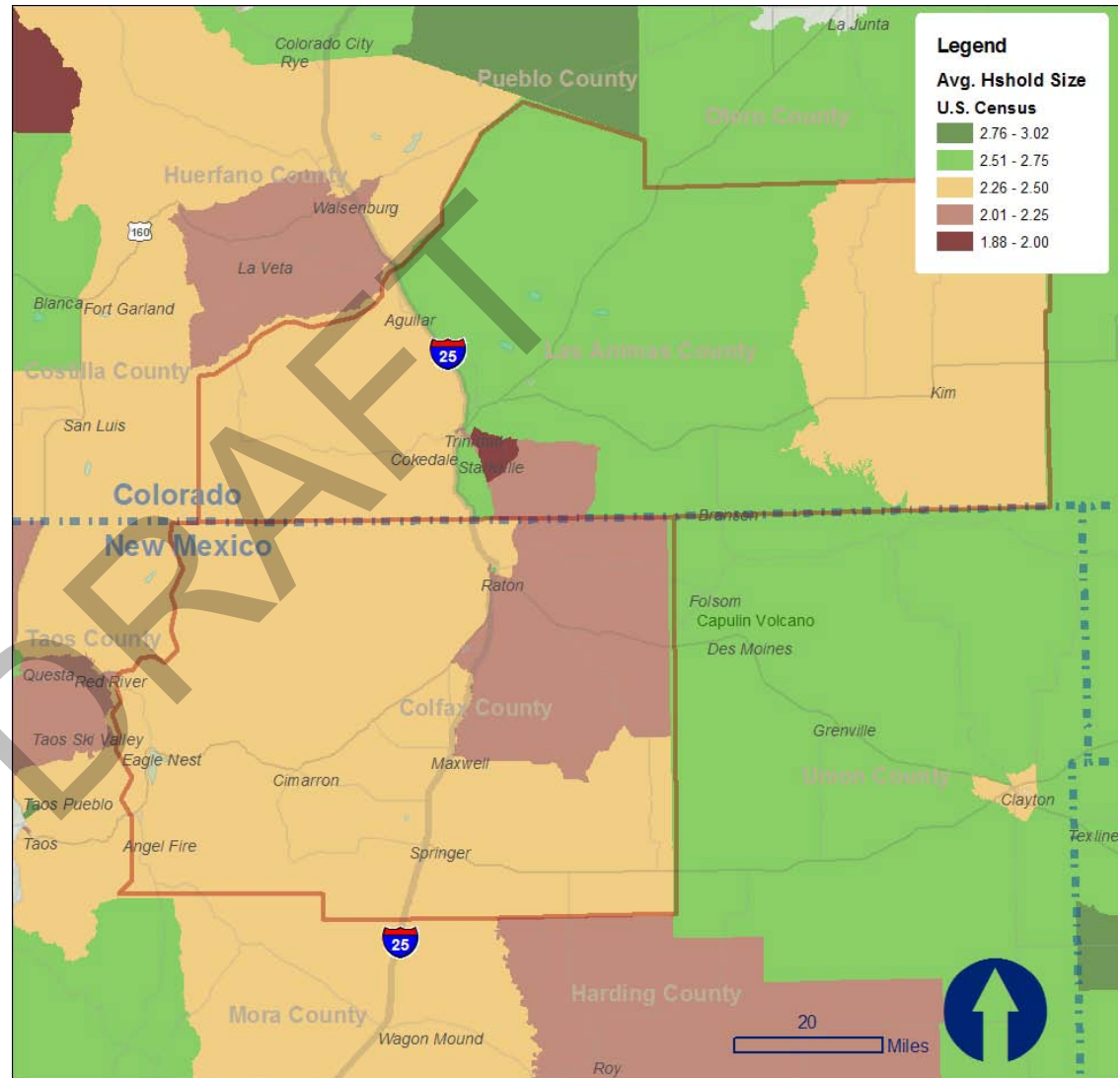
Household Characteristics

Household sizes in the City of Raton are just slightly smaller than in the trade area overall, and significantly smaller than the national average, with 2.28 people per household. Raton also has a slightly higher percentage of renter households and households defined as “non-family” versus the trade area overall. As shown in the map, parts of Trinidad, Raton, Taos and Walsenburg / La Veta all have pockets of smaller-sized households versus outlying unincorporated areas.

Table 4
Select Household Characteristics (2007 estimates)

	Raton	Trade Area	U.S.
Avg. Hsehold Size	2.28	2.33	2.58
Pct. “Non-family”	35%	33%	32%
Pct. Renters	31%	28%	33%

Figure 7
Average Household Size



Sources: U.S. Census, Claritas Inc.; and Leland Consulting Group

Ethnicity

Like much of New Mexico and southern Colorado, the trade area has a strong Hispanic culture. Unlike much of the rest of the country, this ethnic group is composed largely of multi-generational Spanish and/or Native American- descended families as opposed to recent immigrants from Mexico and Central America. Almost 60% of Raton residents consider themselves of Hispanic decent, versus 44% across the trade area as a whole. (Just 2% of Raton residents are foreign-born, however, and half of those are naturalized citizens).

This heritage has blended over the years with western ranching and mining cultures (and, in fact a wide variety of other ethnicities of mining-related immigrants in Raton, specifically). Together, this diverse mix lends a unique cultural tapestry to Raton that could perhaps be celebrated more than it is in the cuisine and shopping offerings downtown.

Table 5

Race & Ethnicity (2007 est.)*

	Raton	Trade Area	U.S.
White	76%	82%	74%
Pct. Hispanic/ Latino	59%	44%	15%
Pct. Black/ Afr. Amer.	0%	1%	12%
Pct. Asian	1%	0%	4%
Other or Multi-Race	21%	15%	9%

*Note that categories are not additive because Hispanic origin is considered separately from race in the Census

Sources: U.S. Census, Claritas Inc.; and Leland Consulting Group

Income Demographics

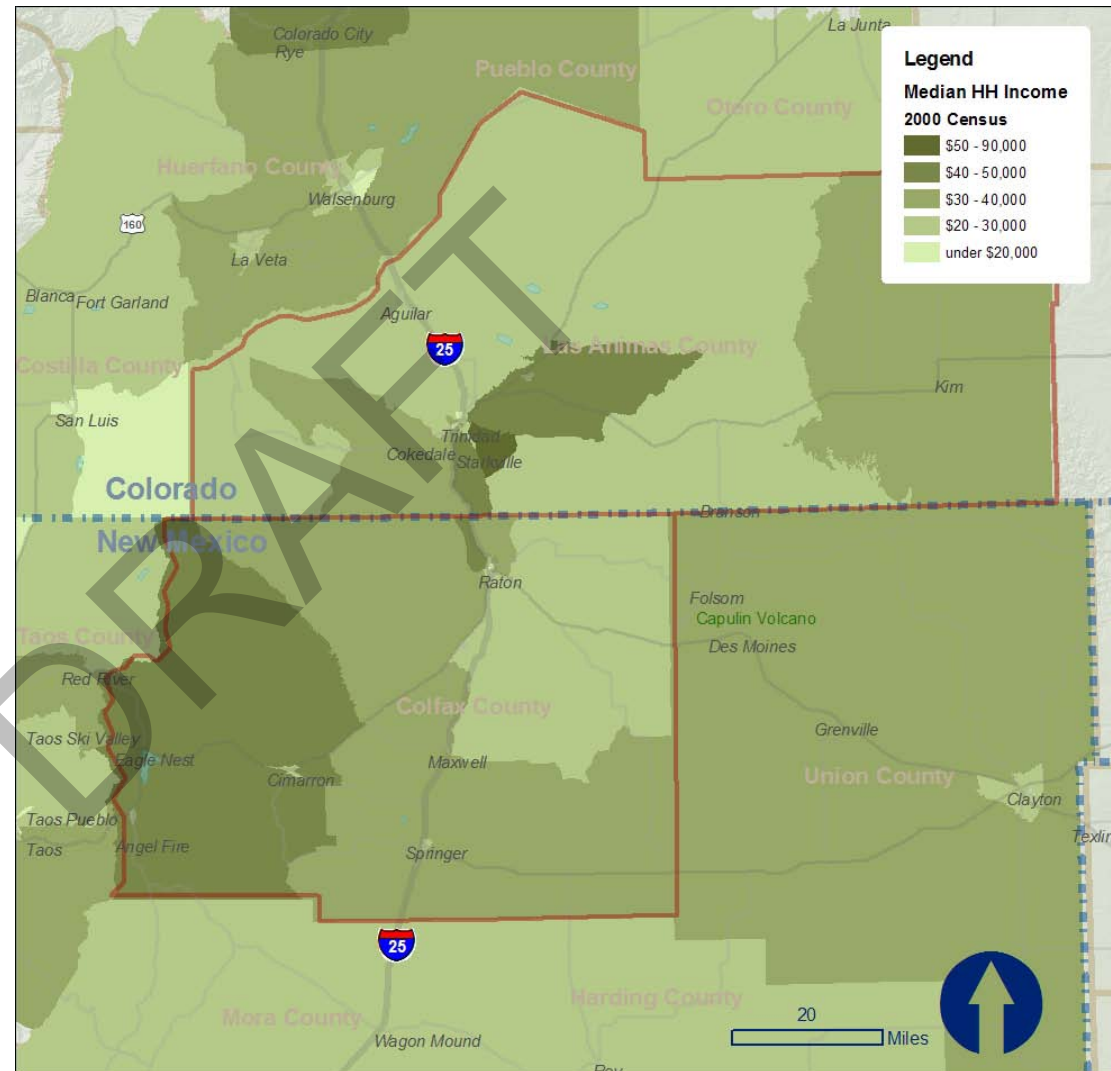
Regional pockets of affluence can be found east of Taos, west of Raton, and in the census areas surrounding Trinidad, as well as into Pueblo County.

Both the trade area and the immediate Raton vicinity are less affluent than the US as a whole. Although resident incomes are lower, many quite affluent people are known to be property owners, part-time residents, and visitors to the area.

Table 6
Household Income Characteristics (2007 est.)

	Raton	Trade Area	U.S.
Median HH Income	\$31,479	\$35,902	\$49,314
Average HH Income	\$39,209	\$47,657	\$66,670
Pct. Earning < \$35,000	56%	49%	35%
Pct. Earning \$100,000+	4%	8%	18%

Figure 8
Household Incomes (2000 Census)



Sources: U.S. Census, Claritas Inc.; and Leland Consulting Group

Economic Indicators

Raton's longstanding economic generator, mining, is no longer active (except for some gas extraction activity in existing coal beds). The economy still includes agricultural activity but relies most heavily on the service sector, including area lodging, dining and service stations, along with healthcare, local/state government and financial and business services. Some manufacturing jobs, including metal-related fabrication, are important to the economy as well.

As discussed in the 2006 UNM study of Main Street Raton's economy, downtown has suffered a substantial decline in lodging and other tourist related service employment in the past two decades – mostly as a result of relocations to I-25 (both elsewhere in Raton and to Trinidad). While a list of area retailers shows a great deal of diversity, spending (and overall square footage) is disproportionately concentrated in the Trinidad Wal-Mart Supercenter. Financial and business service employment remains relatively strong downtown, though, and a steady influx of retirees to the region brings additional economic growth potential.

Miners Colfax Medical Center, though it has moved from the perimeter of the study area to a new location south of downtown, provides employment in the important healthcare sector in an updated facility. The hospital still struggles, though, with recruitment/retention of medical professionals. While a change to incentive package rules may help that situation, an improved Raton economy and revitalized downtown would address the more important quality-of-life component of the problem.

Sources: Colorado LMI;
UNM; U.S. Census,
Claritas Inc.; and
Leland Consulting
Group

Table 7
Economic & Employment Indicators

	Colfax County	Las Animas County	New Mexico	Colorado
Est. Unemployment Rate (Feb 08)	3.3%	4.4%	3.5%	4.7%
2004-14 Annual Job Growth Rate (projected)	n/a	n/a	1.6%	2.7%
Average Weekly Wage (2007)	\$518	\$596	\$686	\$877

Table 8
Top Trade Area Psychographic/Lifestyle Segments

Rank	Segment	Trade Area Households	Comparison to U.S. (100 = expected)
1	Simple Pleasures	2,857	1,001
2	Garden Ponds	1,410	721
3	Old Milltowns	1,345	731
4	Young and Rustic	1,127	456
5	Back Country Folks	848	298
6	Traditional Times	588	167
15	Fast-Track Families	211	98

Generally Speaking, residents within the cities of Raton and Trinidad are less rural in their lifestyles and include more affluent segments than county residents.

Again, visitors and second homeowners also will tend to be more affluent and more urban in their consumer preferences

Psychographics is a term to describe characteristics of people and neighborhoods which, instead of being purely demographic, measure their attitudes, interests, opinions and lifestyles. **PRIZM** is a segmentation method used by Claritas, Inc. for characterizing neighborhoods and local workforce into one of 65 distinct market segments..

Commercial retail developers are interested in understanding a community's psychographic profile, as this is an indication of its resident's propensity to spend across select retail categories. Residential developers are also interested in understanding this profile as it tends to suggest preferences for certain housing products.

Trade Area residents tend towards older and generally less affluent groups, valuing tradition, civic price, and outdoor-oriented leisure pursuits. (more complete profiles on the following pages).

As with many towns where the focus has turned from an industry/mining economy to more of a visitor-oriented economy, the visitors are often from quite different lifestyles than the residents.

While data is not available for visitors, their profiles are likely to include psychographic segments that are more affluent and/or more urban than Raton's own segments – a challenge when balancing tourist's tastes with hometown values.

Source: Claritas, Inc. and Leland Consulting Group

PRIZM Segment Profiles

Simple Pleasures With more than two-thirds of its residents over 65 years old, Simple Pleasures is mostly a retirement lifestyle: a neighborhood of lower-middle-class singles and couples living in modestly priced homes. Many are high school-educated seniors who held blue-collar jobs before their retirement. And a disproportionate number served in the military, so no segment has more residents who are members of veterans clubs.

Lifestyle Traits

- Belong to a veteran's club
- Watch US Senior Open (golf) on TV
- Jeopardy! TV
- Wheel of Fortune TV
- Ford Crown Victoria



Demographic Traits

Ethnic Diversity	Mostly White (nationally)
Presence of Kids	Mostly w/o kids
Age Ranges	65+
Education Levels	High School Grad
Employment Levels	Mostly Retired
Homeownership	Mostly Owners
Urbanicity	Town/Rural
Income	Lower-Mid
Income-Producing Assets	Above Average

Golden Ponds Golden Ponds is mostly a retirement lifestyle, dominated by downscale singles and couples over 65 years old. Found in small bucolic towns around the country, these high school-educated seniors live in small apartments on less than \$32,000 a year; one in five resides in a nursing home. For these elderly residents, daily life is often a succession of sedentary activities such as reading, watching TV, playing bingo, and doing craft projects.

Lifestyle Traits

- Eat at casual/buffet restaurant
- Belong to a veteran's club
- Saturday Evening Post
- The price is Right TV
- Mercury Grand Marquis



Demographic Traits

Ethnic Diversity	Mostly White (nationally)
Presence of Kids	Mostly w/o kids
Age Ranges	Age 65+
Education Levels	Some High School
Employment Levels	Mostly Retired
Homeownership	Mostly Owners
Urbanicity	Town/Rural
Income	Downscale
Income-Producing Assets	Below Average

PRIZM Segment Profiles

Source: Claritas, Inc. and Leland Consulting Group

Old Milltowns America's once-thriving mining and manufacturing towns have aged--as have the residents in Old Milltowns communities. Today, the majority of residents are retired singles and couples, living on downscale incomes in pre-1960 homes and apartments. For leisure, they enjoy gardening, sewing, socializing at veterans clubs, or eating out at casual restaurants.

Lifestyle Traits

- Watch soap operas
- Eat at casual/buffet restaurant
- Hallmark channel
- CBS Evening News TV
- Chevy Cobalt



Demographic Traits

Ethnic Diversity	White, Other Mix
Presence of Kids	Mostly w/o kids
Age Ranges	65+
Education Levels	Some High School
Employment Levels	Mostly Retired
Homeownership	Mostly Owners
Urbanicity	Town
Income	Downscale
Income-Producing Assets	Below Avg.

Young & Rustic Young & Rustic is composed of middle age, restless singles. These folks tend to be lower-middle-income, high school-educated, and live in tiny apartments in the nation's exurban towns. With their service industry jobs and modest incomes, these folks still try to fashion fast-paced lifestyles centered on sports, cars, and dating.

Lifestyle Traits

- Go to auto races
- Drew Carey Show re-runs
- King of the Hill re-runs
- WWE Wrestling TV
- Dodge Neon



Demographic Traits

Ethnic Diversity	White, Other Mix
Presence of Kids	HHs without kids
Age Ranges	Age <55
Education Levels	High School Grad
Employment Levels	Service Jobs, some White Collar
Homeownership	Renters
Urbanicity	Town/Rural
Income	Lower-Mid
Income-Producing Assets	Low

PRIZM Segment Profiles

Source: Claritas, Inc. and Leland Consulting Group

Traditional Times Traditional Times is the kind of lifestyle where small-town couples nearing retirement are beginning to enjoy their first empty-nest years. Typically in their fifties and sixties, these upper-middle-class Americans pursue a kind of granola-and-grits lifestyle. On their coffee tables are magazines with titles ranging from Country Living and Country Home to Gourmet and Forbes. But they're big travelers, especially in recreational vehicles and campers.

Lifestyle Traits

- Domestic travel by motor home
- Eat at Bob Evans
- Golf tournaments on TV
- Triple Crown on TV
- Buick LaCrosse



Demographic Traits

Ethnic Diversity	Mostly White
Presence of Kids	HHs without kids
Age Ranges	Age 55+
Education Levels	Some College
Employment Levels	White Collar, Mix
Homeownership	Mostly Owners
Urbanicity	Town/Rural
Income	Upper-Mid
Income-Producing Assets	High

Fast-Track Families With their upscale incomes, numerous children, and spacious homes, Fast-Track Families are in their prime acquisition years. These middle-aged parents have the disposable income and educated sensibility to want the best for their children. They buy the latest technology with impunity: new computers, DVD players, home theater systems, and video games. They take advantage of their rustic locales by camping, boating, and fishing.

Lifestyle Traits

- Own a power boat
- Go cross-country skiing
- Family Fun magazine
- Fuse Network
- Dodge Ram



Demographic Traits

Ethnic Diversity	Mostly White
Presence of Kids	With kids
Age Ranges	Age 35-54
Education Levels	College Grad
Employment Levels	Management
Homeownership	Mostly Owners
Urbanicity	Town/Rural
Income	Upscale
Income-Producing Assets	Above Average

Residential Supply Activity

Although Las Animas County (the area around Trinidad in particular) is perceived locally as enjoying healthier residential construction activity, Colfax county has exceeded Las Animas in recent years for total annual building permits.

Trinidad's new Cougar Canyon golf course-oriented community is the region's hottest new residential address – catering to retirees, active empty nesters and second-home purchasers.

Downtown Raton, long since built-out, has negligible residential construction—limited to renovation activity

2006 was the only recent year in which the trade area saw multi-family construction (one 43-unit building in Colfax County).

Table 9

Residential Trade Area Building Permits Trends

	2002	2003	2004	2005	2006	Annual Average	Avg. Pct. Multi-Family
Colfax County	n/a	68	65	72	83	72	0%
Las Animas County	107	74	45	56	50	56	15%
Total	?	142	110	128	133	128	8%

While the trade area includes ranchette and large-acreage development in addition to golf-oriented upscale choices like Cougar Canyon, areas likely to compete directly with offerings in Downtown Raton in terms of building form/type are probably limited to redevelopment projects in downtown Trinidad.

Current residential projects in Trinidad include: 1,729 homes at Cougar Canyon (starting at \$275,000+) and 41 single-family homes on 25 acres at NorthPeak (near Fisher Peak). Examples of smaller scale redevelopment projects now underway downtown include plans for lower level retail space combined with upper level loft/residence space.

Large lot residential development in the Raton vicinity is constrained by large private ranch holdings with either deeded restrictions on development or no interest in selling. While this lends an advantage to Trinidad for that detached housing sector, it may cause some homebuyers, otherwise drawn to the Raton area, to consider housing in a downtown setting.

Source: U.S. Census; Leland Consulting Group

Single Family Attached Demand

Demand for attached ownership product suffered a glut nationally in recent years, but demographic trends still favor a gradually increasing share of the residential pie for attached homes.

Most trade area condominium and townhome development is likely to be limited to golf and resort-oriented communities like Angel Fire and Cougar Canyon, but a modest amount of live/work and loft development could be successful in downtown Raton (as it has been in Trinidad). These could target both young adults seeking a more urban setting (with access to outdoor recreation) as well as empty-nester adults seeking lower-maintenance options for full- or part-year residence.

At a 15% overall trade area capture rate, downtown could realistically absorb 15 new attached ownership units over the next 10 years – requiring approx. 1 acre of land at a 16 units/acre density.

Table 10
Ten-Year Attached Demand

Annual Income Range	Approx. Home Price Range	Trade Area For-Sale Demand (incomes \$15K+)	Est. Pct. Townhome/Condo	Townhome / Condo Demand	Attainable Capture Rate (within condo/townhome)	Attainable Subject Capture (units)
\$15-25K	\$75 to \$100K	80	12%	10	18%	2
\$25-35K	\$100 to \$150K	112	15%	17	18%	3
\$35-50K	\$150 to \$200K	165	15%	25	18%	4
\$50-75K	\$200 to \$250K	175	15%	26	15%	4
\$75-100K	\$250 to \$350K	103	12%	12	10%	1
\$100-150K	\$350 to \$500K	62	10%	6	5%	0
\$150K and up	\$500K and up	33	5%	2	0%	0
Totals		729	13%	97	15.1%	15

Note: Assumes attached (condos/townhomes) stabilize at approximately 25% of trade area new ownership construction

Rental Apartment Demand

While the trade area has a substantial percentage of renter households, many of these residents live in detached housing. Downtown Raton can be made attractive to renters with new context-appropriate mid-rise construction, to capitalize on mountain views, or rehabilitation of existing historic structures.

This housing could be physically similar (or even identical) to the loft and live-work options discussed previously, but would appeal to those desiring more flexibility in length of residence.

Overall 10-year demand is modest at 20 to 25 units (assuming an ability to capture 10 percent of overall trade area demand. At a downtown appropriate 20 units per acre, that would require just 1.1 acres of land.

Table 11
Ten-Year Multifamily Rental Demand

Annual Income Range	Approx. Rent Range	Trade Area Apartment Demand	Attainable Capture Rate (within apts.)	Attainable Subject Capture (units.)
\$15-25K	\$375 - \$625	80	8%	6
\$25-35K	\$625 - \$875	48	12%	6
\$35-50K	\$875 - \$1,000	41	12%	5
\$50-75K	\$1,000+	31	12%	4
\$75-100K	\$1,000+	11	10%	1
\$100-150K	\$1,000+	7	5%	0
\$150K and up	\$1,000+	2	0%	0
Totals		220	10.1%	22

Single Family Detached Demand

As Raton's economy diversifies (as Trinidad's has in its post-mining years), and as improvements are made to downtown, the impressive stock of historic single-family homes "up the hill" should become increasingly attractive to families who value the area's natural, cultural, and small-town attributes.

Because of constrained land supply, most of the demand shown at right is likely to take the form of major rehabs, and piecemeal scrape-rebuilds – as opposed to large-scale new construction.

Overall 10-year demand is 20 to 25 new units. (at a modest 3.5% trade area capture rate). At a downtown-appropriate 10 units per acre, that level of development would require 2.2 acres.

Table 12

Ten-Year Single Family Detached Demand

Annual Income Range	Approx. Home Price Range	Trade Area For-Sale Demand	Est. Pct. Detached	Detached Demand	Attainable Capture Rate (within detached)	Attainable Subject Capture (units.)
\$15-25K	\$75 to \$100K	80	88%	70	2.0%	1
\$25-35K	\$100 to \$150K	112	85%	95	5.0%	5
\$35-50K	\$150 to \$200K	165	85%	140	4.0%	6
\$50-75K	\$200 to \$250K	175	85%	149	4.0%	6
\$75-100K	\$250 to \$350K	103	88%	91	3.0%	3
\$100-150K	\$350 to \$500K	62	90%	56	2.0%	1
\$150K and up	\$500K and up	33	95%	31	0.0%	0
Totals		729	87%	631	3.4%	22

Retail Demand

Assuming physical improvements to downtown in key catalyst areas and encouragement of residential development, the study area could capture up to 25,000+ s.f. of new retail over the next ten years. A large portion of this absorption would depend on attracting a small-format grocer to the area –a growing trend but a tough sell with Raton's income/growth profile – may depend on specialty positioning (e.g. gourmet game-orientation, New Mexican orientation) or cooperative ownership (see Powell, WY).



Table 13
Ten-Year Retail Demand (Trade Area)

Category	2007 est. Sales	Projected Growth in Sales to 2017	Est. Sales/ s.f.	10-yr New Demand (s.f.)	Plus Recapture-able Existing Void (s.f.)	Plus Replacement of Obsolete Space (s.f.)	Total New Demand by 2017 (s.f.)	Attainable Subject Capture Rate	Attainable Capture (s.f.)
Furniture and Home Furnishings	\$4,841,002	\$401,524	\$250	1,606		968	2,574	25.0%	644
Electronics and Appliance	\$9,022,986	\$748,387	\$250	2,994		1,805	4,798	20.0%	960
Building Material, Garden Equip	\$39,572,003	\$3,282,193	\$325	10,099	430,178	6,088	16,187	10.0%	1,619
Food and Beverage	\$35,452,995	\$2,940,553	\$350	8,402	31,728	5,065	45,194	25.0%	11,299
Health and Personal Care	\$6,147,997	\$509,929	\$350	1,457	25,041	878	27,377	10.0%	2,738
Clothing and Accessories	\$4,926,985	\$408,656	\$250	1,635		985	2,620	20.0%	524
Sporting Gds, Hobby, Book, Music	\$2,799,974	\$232,236	\$250	929		560	1,489	25.0%	372
General Merchandise	\$39,696,996	\$3,292,560	\$300	10,975	321,449	6,616	17,591	10.0%	1,759
Misc. Store Retailers	\$6,467,001	\$536,388	\$200	2,682		1,617	4,299	20.0%	860
Foodservice and Drinking Places	\$37,605,004	\$3,119,046	\$350	8,912	59,812	5,372	14,284	25.0%	3,571
Excluded Categories (including cinema, prof./med. office, consumer banks, etc.) @ 20% of above	\$37,306,589	\$3,094,295	\$225	13,752		8,290	22,043	15.0%	3,306
Totals	\$223,839,532	\$18,565,767		63,442	56,769	38,245	158,456	17.5%	27,651

Sources: Claritas Inc.; Urban Land Institute; Leland Consulting Group (Sales figures in year 2007 constant dollars)

Retail Supply Notes

Recent decades of economic contraction in Raton have led to an erosion of the local stock of retail offerings. This decline was exacerbated by the construction of the 149,000 s.f. Wal-Mart Supercenter on the south side of Trinidad, CO. Attainable absorption of regional retail of any scale is limited by competition from this large development. Trinidad's downtown tourist-oriented retail offering is fairly concentrated and coordinated, making it the primary source of competition for existing and future retail developments in Main Street Raton.

Although Trinidad has all six of the trade area's cinema screens, both towns have a vibrant live theater scene – a regional asset that could be cooperatively “packaged” between the two municipalities for traveling theatergoers. The shuttered El Raton Theater is a formerly lavish single-screen cinema (for sale for \$90,000 but needing \$200,000+ in repairs). It represents a niche redevelopment opportunity, possibly with a complementary café use, as a destination art-house cinema (many are now projecting digitally, at much lower operating costs).



Downtown Raton Retailers

Lodging

As a historical waypoint between Colorado and points south, Raton has a long record as a strong lodging market. In recent years, however, motel activity has largely moved out of downtown and into new properties towards the perimeter of town, especially along the Interstate. The table at right shows existing properties in Raton and Trinidad, along with the motel currently under construction south of Trinidad.

With the impending completion of the new 86 room Holiday Inn & Suites on I-25 in south Trinidad, the market for new chain lodging appears saturated for Raton. Any new lodging is realistically limited to “boutique” opportunities – 10 to 30 room properties targeted more to the bed-and-breakfast market or other regional travelers looking for something less impersonal. Eventually, the goal would be to attract lodgers looking to stay in close proximity to Raton’s cultural offerings and rebounding retail – perhaps in conjunction with an Amtrak pass specifically packaged to accommodate an overnight in Raton.

Table 14
Trade Area Lodging Inventory

Category	Supply
Raton chain motels	6 properties, 405 rooms
Raton independent motels	7 properties, 224 rooms
Raton construction activity	none (last built was 61 room Microtel in 2002)
Trinidad chain motels – properties	3 properties, 210 rooms
Trinidad chain motels – rooms	7 properties, 227 rooms
Trinidad construction activity	86 room Holiday Inn & Suites

Sources: Costar; ; and Leland Consulting Group

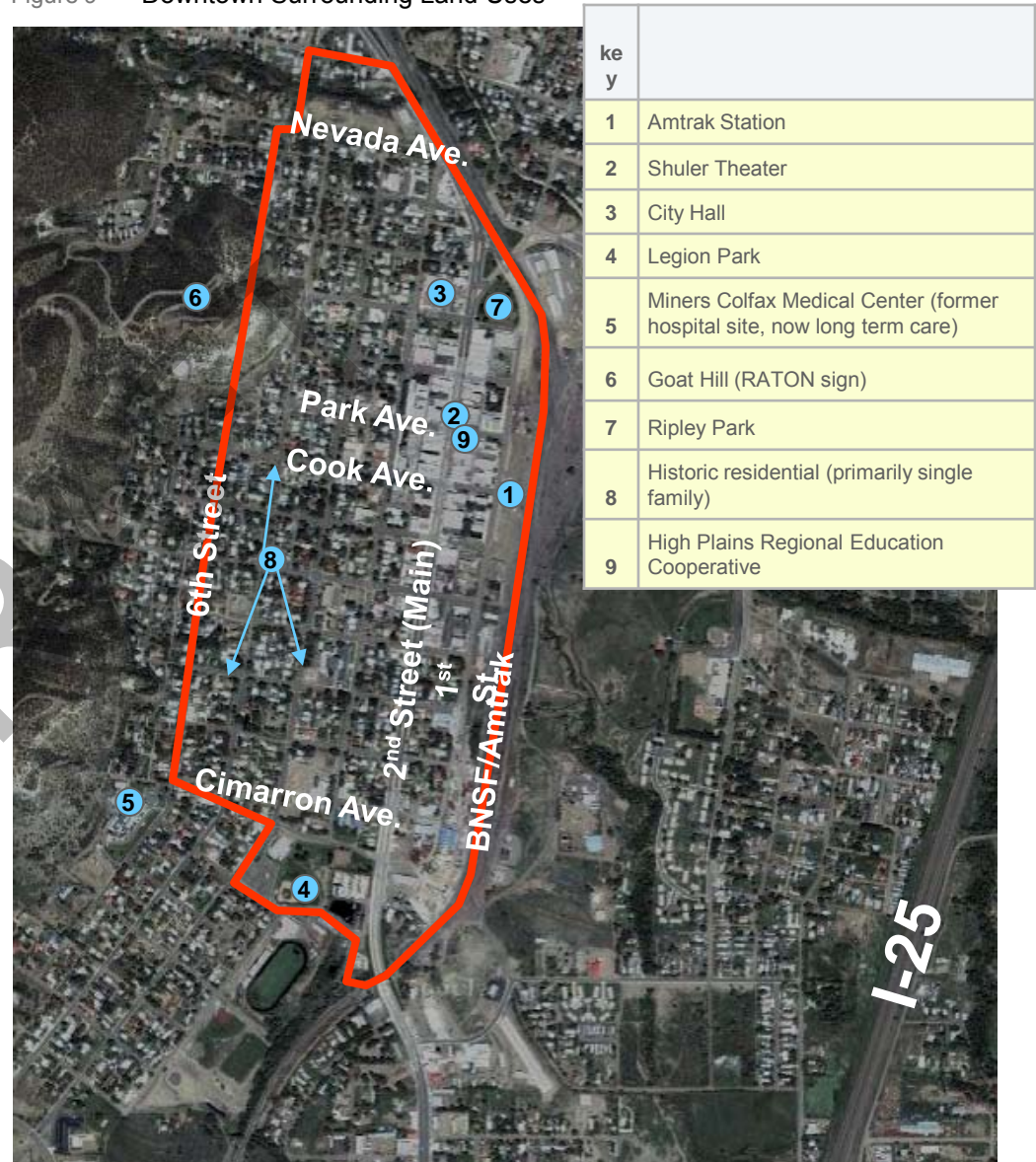
Study Area Land Uses

Most of the study area land usage is actually taken up by single family residential development – most of it historical in nature. Second Street, with the advent of auto-dominant culture, took over as the commercial Main Street for Raton in the 1950s, although 1st Street and the Park/Cook Avenue side streets (and to a lesser extent, 3rd Street) still make up an important historical district of storefronts with some lodging and office uses.

Key cultural and civic uses downtown include: the new Raton Museum; the beautifully restored and active Shuler Theater (live stage auditorium); Historic Santa Fe Trail designations; Raton City Hall; historic Colfax County Courthouse (soon to be moved, however); and Legion and Ripley Parks.

Other important assets include High Plains Regional Education Cooperative, the Santa Fe Trail and Historic Byway, the historical (and only partially operative power plant, and the Raton Amtrak depot.

Figure 9 Downtown Surrounding Land Uses



Site Analysis

Because the Main Street Raton study area encompasses a broad physical expanse, it includes a diverse range of existing land uses and potential redevelopment sites. While later phases will focus more closely on redevelopment opportunity sites at specific locales, this analysis is intended to provide a broad overview of general site conditions throughout the downtown study area -- specifically geared towards understanding site factors that impact its *market viability*.

Table 15
Downtown Area Traffic Volumes (per NMDOT)

	Combined North-South Avg. Daily Vehicles
I-25 @ North Loop Jct.	8,305
I-25 @ South Loop Jct.	6,223
I-25 @ Hwy 64 Jct.	6,778
2nd Street @ Cook Ave.	11,105
2nd Street @ Grant Ave.	13,701

Table 16
Raton Site Analysis Summary

	Current Evaluation
Visibility	Generally not visible from I-25. Businesses along 2 nd enjoy excellent visibility for travelers taking the business loop, but historic portions of 1 st Street, Park Ave, Cook Street and 3 rd can be easy to miss.
Access	<p>Vehicular access to the district in general is fairly direct off I-25 for both north and south-bound travelers.</p> <p>While much of the study area is compact and walkable, pedestrian-friendliness is negatively impacted by the 4-lane+ width of 2nd Street. That width is inconsistent with the character of downtown and unnecessary given that access narrows to 2-lanes before merging with I-25 on the north side. (but difficult to change through NMDOT)</p>
Traffic Volumes	Somewhat surprisingly, traffic volumes are substantially higher on 2nd St. than on I-25 itself (see table, left). Because 2 nd St. carries largely local traffic, those counts include repeat trips each day (as opposed to mainly unique vehicles on I-25). Interstate 25 volumes reach 14,000 at Goddard Ave., Trinidad.
Infrastructure	Most desired infrastructure elements are in place, but many are aging and in need of replacement.
Surrounding Land Uses	While the prevalence of storefront, lodging and service station vacancies in the study area detracts from its drive-by appeal, downtown has a number of key assets with the potential to built on. The surrounding region also includes a number of key activity generators that comprise under-exploited consumer segments. These downtown and regional factors are explored in greater depth on the following pages.
Scenic Attributes	Excellent – scenic mountain views and examples of historic architecture. Ruggedness limits the extent of vistas , however (relative to Trinidad, which borders flatter terrain).

Opportunity Segment:

New Mexico Highlands University - Raton

With an opening this past January, 2008, this 8,000 square foot facility at 1st Avenue and Park Street is a satellite pilot site of New Mexico Highlands University Downtown.

The branch currently employs two administrators, two work-study positions and a custodian. One goal of the facility is to contract local talent among the Raton-area population as adjunct faculty, with offering a broad range of programs geared towards the local job market. Programs include a Masters in Social Work, MBA, B.S. in Nursing (next spring), as well as both 4-year and/or graduate degrees in Elementary Education, Criminal Justice, Exercise/Sport Science and Rehabilitation Counseling.

Courses are currently available as internet-based, satellite-feed from the Las Vegas campus, or locally taught. The emphasis is expected to shift towards the latter over time. The 44 student current enrollment is expected to double by 2009. The emphasis on 4-year and graduate degrees helps to separate it from junior college competition in Trinidad and opens the site up to a wide market area of potential students.



Opportunity Segment:

High Plains Regional Education Center

Although not a school or college per se, the HPERC is an important educational foothold in Downtown Raton. HPERC is a non-profit cooperative with a professional staff of 7, with a mission of providing training seminars to teachers and education administrators from 8 school districts across northern New Mexico.

While much of their training is done at client schools outside Raton, many training sessions occur in the two year-old office space downtown. Approximately 10 to 15 times per year the Raton center will host seminars with 40 or more participants. Dozens of training meetings of smaller size occur throughout the year. Seasonality skews towards the summer to coincide with client teachers being out of their regular semester classes.

While the level of ongoing activity at HPREC is not yet enough to support major employment or retail activity, it represents a significant step towards establishing a presence of the educational community in Raton – one that could lead to spin-off or related academic or training programs.

These educational segments represent a small, but potentially fast-growing source of support for retail and residential land uses in Raton. A younger student population could be attracted to urban residential options in a downtown setting and could inject retail spending during times that would help to offset the summer-heavy visitor seasonality.

Opportunity Segment: Philmont Scout Ranch

The 300,000+ acre Philmont property, donated by oil baron Waite Phillips, occupies much of the land between the towns of Cimarron and Eagle Nest in western Colfax County. Boy Scouts visiting Raton from across the U.S. have historically used Raton (and in particular, the passenger train depot) as a stopping off point for their summer scouting adventures.

While the scouts tend to arrive in large chaperoned groups, rather than with their families, a largely untapped opportunity exists for Raton to capture more overnight stays, cultural visits, and convenience/dining/souvenir spending associated with these visits.



Table 17

Philmont Scout Ranch Activity Breakdown

	Annual Visitation
Scouts on 12-day backcountry stays (summer)	21,940
Scouts/family members on “training” visits (summer)	5,000
Philmont Staff (mix of seasonal and year-round NM residents)	1,000
Off-season guests (can include scouts, adults, corporate, training, alums, etc.)	4,000
Total Annual Visitors (“typical year”)	31,940
Scouts arriving by train (Amtrak)	3,621
Scouts leaving by train (Amtrak)	3,777
Scouts arriving from points east	2,999
Scouts arriving from points west (mainly California)	622

Opportunity Segment: Philmont Scout Ranch

Table 17a

Philmont Scout Ranch Segment Spending Potential

	Lodging				Dining				Other Shopping/Entertainment			
Total Annual Visitation	Additional Main St Capture (target %)	Additional Main St Capture (target #)	\$ per visitor	Spending Potential	Additional Main St Capture (target %)	Additional Main St Capture (target #)	\$ per visitor	Spending Potential	Additional Main St. Capture (target %)	Additional Downtown Capture (target #)	\$ per visitor	Spending Potential
31,940	20%	6,388	\$30	\$191,640	30%	9,582	\$10	\$95,820	20%	6,388	\$20	\$127,760

The current level of Main Street Raton patronage among Philmont visitors is not currently known, but this analysis suggests capturing an additional 20% of the total Philmont Scout Ranch spending (30% within dining) could result in approximately \$415,000 in total incremental spending downtown.

Opportunity Segment: NRA Whittington Center

Situated just south of Raton, the National Rifle Associations' Whittington Center is a “comprehensive shooting facility”, founded in 1973.

The 33,000+ acre facility includes shooting ranges for many weapon types, open rangeland for hunting and indoor facilities for education and other meeting/dining uses. There are various cabins for “competitor housing” which can accommodate up to 90 people, as well as 16 log cabins, an RV campground and primitive campground for tent camping and picnic-table dining. A wide variety of events are scheduled year-round.

According to Center representatives, the vast majority of Whittington visitors drive by private automobile – most from nearby states. Because Raton’s municipal airport is equipped to handle medium-sized aircraft, the Center also receives visitor groups arriving by charter jets. The majority of visitors pass through Raton and spend some money on dining, shopping, or lodging – but exact figures are not available. International visitors and distant domestic guests tend to come for specific competitive shooting events.

Table 18
Whittington Center Activity Breakdown

	Current Estimate
2007 Visitors	183,000
Heavy Season	May to September
On-site lodging capacity (excluding RV and primitive campsite)	Approx. 170 beds (including cabins and Competitor Housing)
Center staff	34



Opportunity Segment: NRA Whittington Center

Table 18a

NRA Whittington Center Segment Spending Potential

	Lodging				Dining				Other Shopping/Entertainment			
Total Annual Visitation	Additional Main St Capture (target %)	Additional Main St Capture (target #)	\$ per visitor	Spending Potential	Additional Main St Capture (target %)	Additional Main St Capture (target #)	\$ per visitor	Spending Potential	Additional Main St. Capture (target %)	Additional Downtown Capture (target #)	\$ per visitor	Spending Potential
183,000	20%	36,600	\$30	\$1,098,000	25%	45,750	\$15	\$686,250	25%	45,750	\$25	\$1,143,750

The current level of Main Street Raton patronage among Whittington Center visitors is not currently known, but capturing an additional 20% of the total segment spending (30% within dining) could result in approximately \$2.9 million in total incremental spending downtown – making this the most lucrative potential visitor segment.

Opportunity Segment: Vermejo Park Ranch

An immense tract taking up much of the territory between Raton and Cimarron, near the Colorado Border, Vermejo Park Ranch is a wildlife preserve and private guest retreat for associates of owner Ted Turner and also for paying guests.

The 590,000+ acre parcel is considered the largest privately owned contiguous tract of land in the United States. Part of the original Lucien Maxwell land grant, it was owned (and expanded) by William Bartlett, Texan W.J. Gourley and the Penzoil Corporation (among others) before being purchased by Turner in 1996.

Vermejo is used as a guest ranch for family, group and corporate retreats. It is used extensively for private hunting and fishing (stocked with various species of deer, elk, sheep, bear, turkey, etc.) and is pasturage for bison. The property includes several historic lodge, ranch and residential structures, such as the one pictured at right.

According to ranch representatives, Vermejo sees some 2,500 guest ranch visitors annually and “the majority spend one night in Raton”.

Table 19
Vermejo Park Ranch Activity Breakdown

	Current Estimate
2007 Visitors	2,500
Season	April 1 to November 30
Heavy Season	June, July, August
Guest Origination	70% drive from major markets in Texas



Opportunity Segment: Vermejo Park Ranch

Table 19a

Vermejo Park Ranch Segment Spending Potential

	Lodging				Dining				Other Shopping/Entertainment			
Total Annual Visitation	Additional Main St Capture (target %)	Additional Main St Capture (target #)	\$ per visitor	Spending Potential	Additional Main St Capture (target %)	Additional Main St Capture (target #)	\$ per visitor	Spending Potential	Additional Main St. Capture (target %)	Additional Downtown Capture (target #)	\$ per visitor	Spending Potential
2,500	15%	375	\$30	\$11,250	30%	750	\$20	\$15,000	30%	750	\$40	\$30,000

Additional hotel/motel capture among Vermejo visitors may be difficult, given that the Ranch itself is set up primarily as lodging. The above analysis that the Main Street district could capture an additional 15% of this segment for lodging, 30% for dining, and 30% for entertainment. Given the affluent demographics of this segment, spending multipliers in each category are assumed to be higher – resulting in net new spending potential of \$56,000 per year.

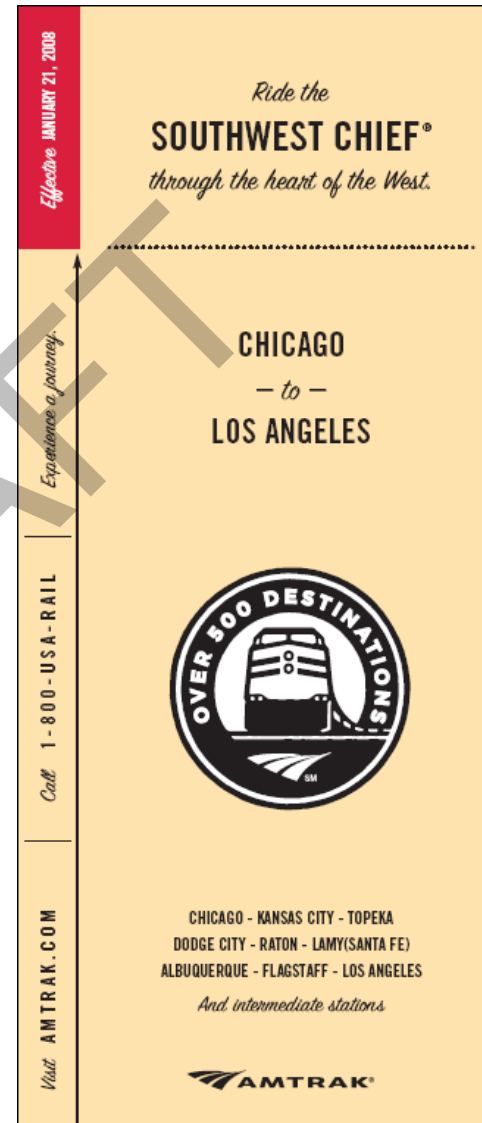
Opportunity Segment: Amtrak Southwest Chief Line

Raton is, of course, home to an important station on the Amtrak passenger line's Southwest Chief line, running between Chicago and Los Angeles. Both east and west-bound trains stop daily in Raton. The one and a half-hour stop durations are long enough for a quick meal and brief shopping, but not much else.

Currently, the depot and adjacent parking lot are in disrepair and generally not inviting to travelers who have the option to stay on board. Funds have been earmarked through the U.S. Dept. of Transportation to help rehab the depot, but BNSF has been reluctant to cooperate with City efforts to do so. In fall of 2008, the station is slated to convey ownership from BNSF to the State of New Mexico, so hopefully that change in ownership will open the door for a concerted revitalization of the station.

Table 20
Amtrak Activity Breakdown

	Current Estimate
2007 Passengers	18,245 (down from 20,200 in 2005)
Westbound Raton stop	10:56am to 12:38pm
Eastbound Raton stop	5:53pm to 6:31pm



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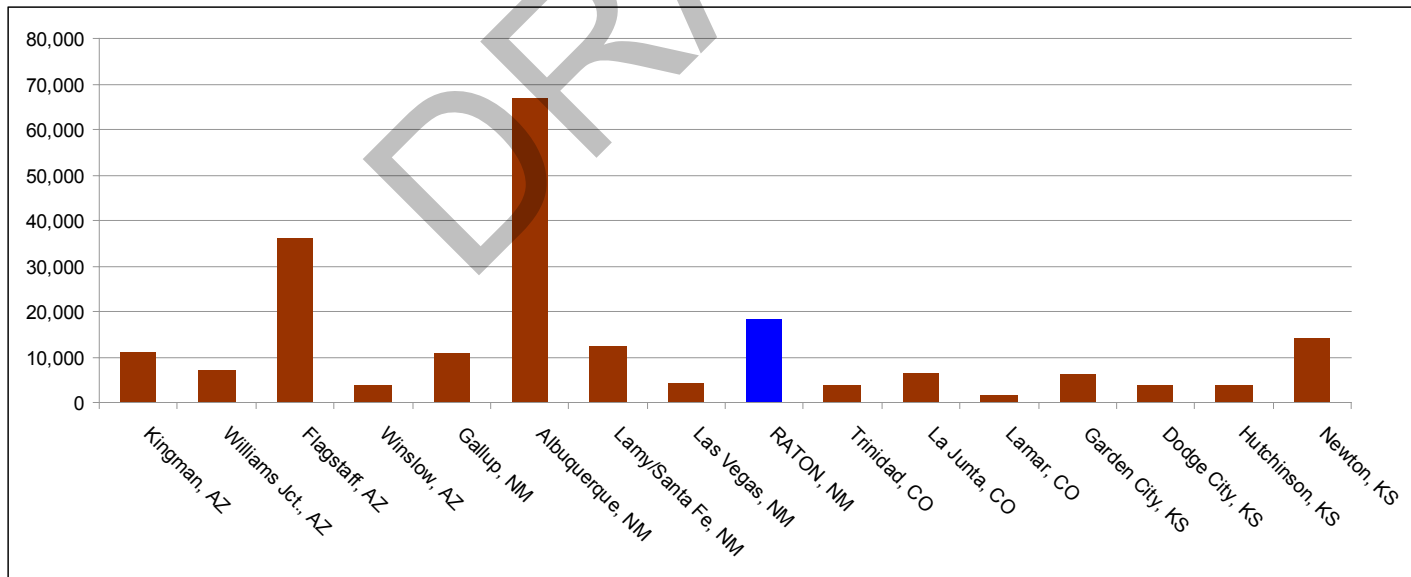
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**2007
Passengers
(total
boardings +
alightings)**



Opportunity Segment: Amtrak Southwest Chief Passengers

Table 20a
Amtrak Segment Spending Potential

	Lodging				Dining				Other Shopping/Entertainment			
Total Annual Visitation	Additional Main St Capture (target %)	Additional Main St Capture (target #)	\$ per visitor	Spending Potential	Additional Main St Capture (target %)	Additional Main St Capture (target #)	\$ per visitor	Spending Potential	Additional Main St. Capture (target %)	Additional Downtown Capture (target #)	\$ per visitor	Spending Potential
19,000	15%	3,800	\$30	\$114,000	30%	5,700	\$15	\$85,500	30%	5,700	\$40	\$228,000

With Amtrak passengers, the primary goal is to extend the Raton stay from 90 minutes to overnight. If a revitalized Main Street could induce 15% of all through-passengers (in addition to current levels) to stay the night, and an additional 30% to shop and dine, this segment could yield approximately \$400,000 in additional downtown spending each year.

Opportunity Segment Overview

Table 21
Visitor Segment Spending Potential Totals

Lodging		Dining		Other Shopping/Entertainment	
Total New Demand Potential \$	Equivalent New Room Demand	Total New Demand Potential \$	Equivalent Restaurant Space Demand	Total New Demand Potential \$	Equivalent Retail Space Demand
\$1,194,750	63 rooms	\$786,750	4,496 s.f.	\$1,401,750	19,333 s.f.
	<i>(assuming \$80/night rate and 65% equilibrium vacancy)</i>		<i>(assuming \$175/sf annual sales)</i>		<i>(assuming \$175/sf annual sales)</i>

A physically and aesthetically improved Downtown, together with more targeted marketing and stronger partnerships with key visitor segment populations, could result in new Main Street Raton demand for **60+ hotel rooms, 4,500 s.f. of restaurant space, and almost 20,000 in other shopping & entertainment space**. This demand is in addition to household-based trade area demand previously summarized.

Opportunity Segment: Raton Racino

Raton is currently working through the political steps necessary to secure a license for horse racing and related video gaming. If successful, the City of Raton stands to experience a substantial increase in local employment and local traffic volume. Although the racing and gaming facility would be located south of downtown, the Main Street study area would undoubtedly benefit in terms of added commercial and potentially even residential activity.

The proposal currently being considered by the New Mexico Racing Commission calls for nearly \$50 million in development costs, 100 temporary construction jobs, followed by 160 to 200 permanent full and part-time jobs including 11 management positions. Total forecasted annual payroll is approximately \$7 million.

As a potential day-long attraction, such a facility would increase likelihood and duration of overnight stays for travelers that may currently only pass through the City (either by train or car). Given Raton's position on the Amtrak Southwest Chief route from Chicago to Los Angeles, an facility of this scale would raise the possibility of substantial cross-over marketing, including targeted vacation packaging with rail travelers.

Table 22
Potential Raton Racino Impact

	Current Estimate
Added Lodging - Rooms	400
Annual Added Visitor Room-nights	94,900
Est. Added Overnight Visitors	189,110
Season	52 days beginning June 11
Guest Origination	Approximately 225 mi. trade area



Table 22a

Racino Visitor Segment Spending Potential

	Lodging				Dining				Other Shopping/Entertainment			
Total Annual Visitation	Main St Capture (target %)	Main St Capture (target #)	\$ per visitor	Spending Potential	Main St Capture (target %)	Main St Capture (target #)	\$ per visitor	Spending Potential	Main St. Capture (target %)	Additional Main St. Capture (target #)	\$ per visitor	Spending Potential
189,110	20%	37,822	\$35	\$1,323,769	35%	66,188	\$20	\$1,323,769	35%	66,188	\$30	\$1,985,653

A 2007 economic impact study done for the new Zia Park racing/gaming facility in Hobbs, NM lends some insight into the incremental size of the visitor segment that a Raton Racino might add. While that study focused primarily on betting and purse volume, it does not attempt to quantify the number new visitors, per se. The Zia Park study does, however, note that Hobbs is responding to increased track-related tourism with 548 new hotel/motel rooms either planned or under construction. The above table conservatively assumes that 80% of those 548 rooms (or 438) will actually be built.

Based on a roughly equivalent ratio of new lodging rooms per new horse stalls (a surrogate measure of facility size), and an assumption of 65% annualized hotel occupancy, a Raton Racino could result in approximately 400 new lodging rooms, 95,000 room-nights of additional stays, and almost 190,000 additional overnight visitors (assuming 2 per room).

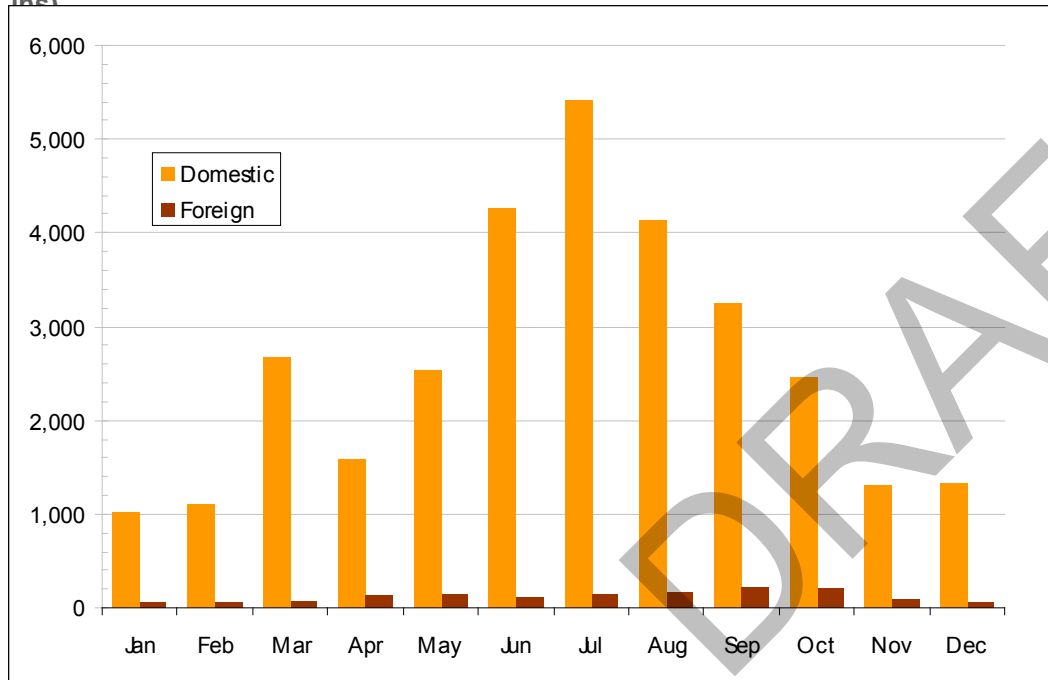
The above table attempts to roughly quantify the dollar impact such an increase in overnight visitors might have on the Downtown area (assuming it can meet the market capture targets shown). As shown, the total annual impact of new racetrack-related overnight visitors alone could top \$4,600,000 – resulting in new downtown restaurant demand of approximately 7,500 s.f., other shopping demand of 11,000 s.f. as well as some 80 rooms of new downtown lodging. Because this analysis excludes day-trip spending, it should be considered a conservative approximation.

The permanent addition of “160 to 200” new Racino employees would further add to annual area dining and retail demand and could add some 20 to 40 units of downtown residential demand.

Sources: 2008 Horse Racing at Raton LLP Development Proposal; 2007 Impact Study for Zia Park Racetrack; and Leland Consulting Group



Tourism Statistics

Seasonality of Tourism
(2007 Raton Visitor Ctr. Sign-
ins)

Seasonality is an issue for Raton, with most tourists (and all major visitor segments previously discussed) choosing to visit primarily in summer months.

Consider a major fall or winter festival/event – local arts oriented or in cooperation with key segments (NRA hunting pre-season kickoff?); (Philmont major reunion event for former scouts)

Market Conclusions

Catalyst opportunities and untapped (or under-tapped) visitor segments can provide a foundation for Main Street Raton to stem its decline and share in the region's projected growth.

Over the next ten years, at conservative capture rates, the Main Street study area could absorb some **15 new loft/townhome/condo units, 20-25 rental units** (probably also loft format), and **20-25 new or significantly rehabbed single family detached units**

In the same period, downtown could capture approximately **45,000 to 50,000 s.f. of new retail** development (including storefront prof./medical/health offices). This level of development includes demand from trade area household growth in addition to increased market capture from existing visitor segments, and would require landing a small-format grocer (possibly a community co-op).

Increased visitor segment market share could also add demand for approximately **60 rooms of new lodging** (excluding Racino demand).

Realization of a Raton "Racino" horse racing and gaming facility would have a profound impact on the economy of the Raton area and would specifically benefit downtown: the additional estimated **190,000 annual visitor-nights** alone could generate demand for **80 rooms of lodging, 7,500 s.f. of restaurant space, and 11,000 s.f. of other retail** – all within the Main Street study area (under conservative assumptions). Employment from the Racino would also fuel residential expansion— potentially supporting 20 to 40 new downtown housing units.

Strategies and Next Steps

Aggressively support licensing for racetrack/gaming facility. Of all opportunity segments explored, this

Recognize the **Amtrak depot as a critical gateway** -- through high quality physical rehabilitation, marketing/promotional “packages”, and cooperation with 1st Street property owners.

Coordinate with, educating and **reaching out to key regional visitor-generators** (NRA, BSA, VPR, Sugarite, HPREC) to realize a win-win outcome of a more attractive downtown Raton. Recognize that, excepting the possible Racino, the Whittington Center represents the largest identifiable visitor segment in terms of spending potential.

Maintain an on-going push among visitor groups to **promote downtown Raton as a residential option** (arts friendly, affordable, great architecture & climate, etc.)

Target retail recruitment efforts to **specifically address visitor segment needs** (e.g. hiking gear, antique firearms, gunsmithing (an excellent one already exists), taxidermy, game-oriented market, scout paraphernalia, etc.).

Work to **build on education-oriented momentum** gained by the new HPREC office. Vocational and higher education activity is supportive of culture, helps shore up younger demographic decline, and can lead to residential and retail growth.

Be assertive at state level: Get Raton on a more even footing with Trinidad by **cutting re-development red tape** and push NMDOT to help Raton **put people over cars** (e.g. allow 2-lane Main St. with diag. parking)

Appendix C

Downtown Raton Master Plan Catalyst Project: Civic Town Square

Development Program			Assumption Factors
	Units/Spaces	Square Feet	
Retail/Restaurant		15,000	
Office/Civic		30,000	
Residential (Rental)	0	0	800 SF/Unit
Residential (For-Sale)	0	0	1,500 SF/Unit
Gross Floor Area		45,000	
Project Land Area		87,120	2.00 Acres
Floor Area Ratio		52%	
Surface Parking	75	24,294	325 SF/Space
Structured Parking	75	24,294	325 SF/Space
Estimated Project Value (Stabilized Yr)			
Total Retail Rentable SF		13,500	90% Bldg. Efficiency Ratio
Rent/SF*		\$12.00	
Total Office Rentable SF		27,000	90% Bldg. Efficiency Ratio
Rent/SF*		\$10.00	
Total Residential Rentable SF		0	80% Bldg. Efficiency Ratio
Rent/SF		\$12.00	\$1.00 Monthly Rent/SF
Total Parking Spaces (Structured)		75	
Rent/Space		\$300	\$25 Monthly Income/Space
Gross Income		\$454,425	
Occupancy		95%	
Effective Gross Income		\$431,704	
Operating Costs		\$22,500	\$0.50 \$/SF (Wtd. Avg. All Uses)
Net Operating Income		\$409,204	
Capitalization Rate		8.0%	
Project Value -- Office/Retail/Rental Hsg		\$5,115,047	
Total Housing Units		0	
Sales Price/Unit (Wtd Avg)		\$200,000	
Gross Revenue		\$0	
Less Marketing Costs		\$0	7% % of Sales
Net Sale Proceeds		\$0	
Project Value -- For-Sale Housing		\$0	
Total Project Value		\$5,115,047	
* Retail and industrial lease rates based on triple net lease; tenant pays portion of taxes, insurance and utilities.			
Development Cost Estimate			
Property Purchase (Acquisition/Demolition)	\$871,200		\$10.00 \$/SF Land
On-Site Improvements (Surface Parking)	\$224,250		\$3,000 \$/Space
On-Site Improvements (Structured Parking)	\$897,000		\$12,000 \$/Space
Site Development	\$130,680		\$1.50 \$/SF
Building Construction (Hard Costs)	\$3,315,015		\$74 \$/SF (Wtd. Avg. All Uses)
Construction Contingency	\$456,694		10% % of Construction Costs
Soft Costs (% of Hard Costs)	\$456,694		10% % of Hard Costs
Developer Profit	\$635,153		10% % of Total Costs
Total Project Cost		\$6,986,687	\$155.26 \$/SF
Development Economic Summary			
Total Project Cost		\$6,986,687	
Total Project Value		\$5,115,047	
Project Margin/"Gap"		(\$1,871,640)	
% Project Margin/"Gap"		-27%	
Potential Contributions to "Gap":			
Land Writedown	\$871,200		100% of Land Cost
Off-Site Improvements Contribution	\$0		0% of Total Site Costs
Supportable Property Tax TIF (25 Years)	\$600,000		0.019284 Total Property Tax
Supportable GRT TIF (25 Years)	\$1,000,000		50% % of Local GRT
Special Improvement District (20 Years)	\$0		0.000000 Assessment Rate
Streamlined Development Approvals (6 mos)	\$0		
Total Contributions to "Gap"		\$2,471,200	

Source: Leland Consulting Group.

Downtown Raton Master Plan
Catalyst Project: Infill Mixed-Use

Development Program			Assumption Factors	
	<i>Units/Spaces</i>	<i>Square Feet</i>		
Retail/Restaurant		10,000		
Office/Civic		0		
Residential (Rental)	25	20,000	800	SF/Unit
Residential (For-Sale)	0	0	1,500	SF/Unit
Gross Floor Area		30,000		
Project Land Area		43,560	1.00	Acres
Floor Area Ratio		69%		
Surface Parking	71	22,913	325	SF/Space
Structured Parking	0	0	325	SF/Space
Estimated Project Value (Stabilized Yr)				
Total Retail Rentable SF		9,000	90%	Bldg. Efficiency Ratio
Rent/SF*		\$12.00		
Total Office Rentable SF		0	90%	Bldg. Efficiency Ratio
Rent/SF*		\$10.00		
Total Residential Rentable SF		16,000	80%	Bldg. Efficiency Ratio
Rent/SF		\$13.20	\$1.10	Monthly Rent/SF
Total Parking Spaces (Structured)		0		
Rent/Space		\$300	\$25	Monthly Income/Space
Gross Income		\$319,200		
Occupancy		95%		
Effective Gross Income		\$303,240		
Operating Costs		\$111,000	\$3.70	\$/SF (Wtd. Avg. All Uses)
Net Operating Income		\$192,240		
Capitalization Rate		8.0%		
Project Value -- Office/Retail/Rental Hsg		\$2,403,000		
Total Housing Units		0		
Sales Price/Unit (Wtd Avg)		\$200,000		
Gross Revenue		\$0		
Less Marketing Costs		\$0	7%	% of Sales
Net Sale Proceeds		\$0		
Project Value -- For-Sale Housing		\$0		
Total Project Value		\$2,403,000		
* Retail and industrial lease rates based on triple net lease; tenant pays portion of taxes, insurance and utilities.				
Development Cost Estimate				
Property Purchase (Acquisition/Demolition)	\$435,600		\$10.00	\$/SF Land
On-Site Improvements (Surface Parking)	\$211,500		\$3,000	\$/Space
On-Site Improvements (Structured Parking)	\$0		\$12,000	\$/Space
Site Development	\$65,340		\$1.50	\$/SF
Building Construction (Hard Costs)	\$1,955,010		\$65	\$/SF (Wtd. Avg. All Uses)
Construction Contingency	\$223,185		10%	% of Construction Costs
Soft Costs (% of Hard Costs)	\$223,185		10%	% of Hard Costs
Developer Profit	\$311,382		10%	% of Total Costs
Total Project Cost		\$3,425,202	\$114.17	\$/SF
Development Economic Summary				
Total Project Cost		\$3,425,202		
Total Project Value		\$2,403,000		
Project Margin/"Gap"		(\$1,022,202)		
% Project Margin/"Gap"		-30%		
Potential Contributions to "Gap":				
Land Writedown	\$435,600		100%	of Land Cost
Off-Site Improvements Contribution	\$0		0%	of Total Site Costs
Supportable Property Tax TIF (25 Years)	\$200,000		0.016000	Total Property Tax
Supportable GRT TIF (25 Years)	\$600,000		50%	% of Local GRT
Special Improvement District (20 Years)	\$0		0.000000	Assessment Rate
Streamlined Development Approvals (6 mos)	\$0			
Total Contributions to "Gap"		\$1,235,600		

Source: Leland Consulting Group.

Downtown Raton Master Plan

Catalyst Project: Artisan Live/Work

Development Program			Assumption Factors
	Units/Spaces	Square Feet	
Retail/Restaurant		0	
Office/Civic		12,000	
Residential (Rental)	0	0	800 SF/Unit
Residential (For-Sale)	12	24,000	2,000 SF/Unit
Gross Floor Area		36,000	
Project Land Area		54,450	1.25 Acres
Floor Area Ratio		66%	
Surface Parking	58	18,850	325 SF/Space
Structured Parking	0	0	325 SF/Space
Estimated Project Value (Stabilized Yr)			
Total Retail Rentable SF		0	90% Bldg. Efficiency Ratio
Rent/SF*		\$12.00	
Total Office Rentable SF		10,800	90% Bldg. Efficiency Ratio
Rent/SF*		\$10.00	
Total Residential Rentable SF		0	80% Bldg. Efficiency Ratio
Rent/SF		\$13.20	\$1.10 Monthly Rent/SF
Total Parking Spaces (Structured)		0	
Rent/Space		\$300	\$25 Monthly Income/Space
Gross Income		\$108,000	
Occupancy		95%	
Effective Gross Income		\$102,600	
Operating Costs		\$6,000	\$0.50 \$/SF (Wtd. Avg. All Uses)
Net Operating Income		\$96,600	
Capitalization Rate		8.0%	
Project Value -- Office/Retail/Rental Hsg		\$1,207,500	
Total Housing Units		12	
Sales Price/Unit (Wtd Avg)		\$200,000	
Gross Revenue		\$2,400,000	
Less Marketing Costs		(\$168,000)	7% % of Sales
Net Sale Proceeds		\$2,232,000	
Project Value -- For-Sale Housing		\$2,232,000	
Total Project Value		\$3,439,500	
* Retail and industrial lease rates based on triple net lease; tenant pays portion of taxes, insurance and utilities.			
Development Cost Estimate			
Property Purchase (Acquisition/Demolition)	\$435,600		\$8.00 \$/SF Land
On-Site Improvements (Surface Parking)	\$174,000		\$3,000 \$/Space
On-Site Improvements (Structured Parking)	\$0		\$12,000 \$/Space
Site Development	\$81,675		\$1.50 \$/SF
Building Construction (Hard Costs)	\$2,754,000		\$77 \$/SF (Wtd. Avg. All Uses)
Construction Contingency	\$300,967		10% % of Construction Costs
Soft Costs (% of Hard Costs)	\$300,967		10% % of Hard Costs
Developer Profit	\$404,721		10% % of Total Costs
Total Project Cost		\$4,451,931	\$123.66 \$/SF
Development Economic Summary			
Total Project Cost		\$4,451,931	
Total Project Value		\$3,439,500	
Project Margin/"Gap"		(\$1,012,431)	
% Project Margin/"Gap"		-23%	
Potential Contributions to "Gap":			
Land Writedown	\$435,600		100% of Land Cost
Off-Site Improvements Contribution	\$255,675		100% of Total Site Costs
Supportable Property Tax TIF (25 Years)	\$400,000		0.016000 Total Property Tax
Supportable GRT TIF (25 Years)	\$0		50% % of Local GRT
Special Improvement District (20 Years)	\$0		0.000000 Assessment Rate
Streamlined Development Approvals (6 mos)	\$0		
Total Contributions to "Gap"		\$1,091,275	

Source: Leland Consulting Group.

Appendix D

2nd Street (Between Park and Clark) Conceptual Streetscape Engineer's Estimates

Description	Quantity	Unit	Unit Price	Item Cost
Tree Removal	0	Ea	\$200.00	\$0.00
Removal of Inlet	0	EA	\$860.00	\$0.00
Removal of Street Signs	0	EA	\$100.00	\$0.00
Removal of Sidewalk	1084	SY	\$20.00	\$21,680.00
Removal of Curb and Gutter	803	LF	\$10.00	\$8,030.00
Removal of Asphalt Pavement	885	SY	\$15.00	\$13,275.00
Modify Sidewalk Vault	0	LS	\$25,000.00	\$0.00
Sawing Asphalt Material (6 inch)	1016	LF	\$2.10	\$2,133.60
Structural Soil-Import, Place & Compact (Include Geotextile Fabric)	0	CY	\$100.00	\$0.00
Amended Soil : Turf Mix	0	SF	\$3.20	\$0.00
Amended Soil : Planter Mix	61	CY	\$86.00	\$5,246.00
Storm Drain Inlet Protection	0	EA	\$270.00	\$0.00
Sediment Removal and Disposal	0	LS	\$3,000.00	\$0.00
Adjust Manhole	0	EA	\$610.00	\$0.00
Sod	0	SF	\$3.00	\$0.00
Mulching (Wood Chip) (4")	726	CF	\$2.50	\$1,815.00
Landscape Weed Barrier Fabric	2202	SF	\$0.50	\$1,101.00
Tree Grate	0	EA	\$2,500.00	\$0.00
Sculpture Base (Planters)	0	EA	\$1,750.00	\$0.00
Sculpture Base (WW II Sculpture)	0	EA	\$2,000.00	\$0.00
Fountain	0	LS	\$175,000.00	\$0.00
Landscape Boulder	0	EA	\$220.00	\$0.00
Deciduous Tree (1.5" Caliper)	0	EA	\$500.00	\$0.00
Deciduous Tree (2.5" Caliper)	0	EA	\$675.00	\$0.00
Deciduous Shrub (5 Gallon Container)	0	EA	\$43.00	\$0.00
Evergreen Shrub (5 Gallon Container)	0	EA	\$100.00	\$0.00
Perennials (1 Gallon Container)	0	EA	\$18.50	\$0.00
Hot Mix Asphalt (Patching)	0	SY	\$45.00	\$0.00
Concrete Alleyway (8 inch Grey Concrete)	0	SY	\$80.00	\$0.00
Planter Wall	324	LF	\$195.00	\$63,180.00
Planter Wall Pilaster w/ Fascia & Cap	0	EA	\$650.00	\$0.00
Concrete Band (24" x 18")	0	LF	\$60.00	\$0.00
Concrete Curbwall (24"x18")	0	LF	\$60.00	\$0.00
Concrete Curbwall (12"x18")	302	LF	\$30.00	\$9,060.00
24 Inch Reinforced Concrete Pipe (Complete In Place)	0	LF	\$89.00	\$0.00
24 Inch 22.5" Elbow Reinforced Concrete Pipe (Complete In Place)	0	EA	\$1,850.00	\$0.00
6.0' Modified Inlet Type D (Special)	0	EA	\$6,000.00	\$0.00
Manhole Box Base (5 Foot)	0	EA	\$8,900.00	\$0.00
Concrete Curb Pad	99	SY	\$75.00	\$7,425.00
Concrete Curb Ramp	56	SY	\$75.00	\$4,200.00
Truncated Domes	80	SF	\$16.00	\$1,280.00
Concrete Pavers (12"x12")	267	SY	\$115.00	\$30,705.00
Concrete Pavers (4"x4")	0	SY	\$120.00	\$0.00
Concrete Sidewalk (Natural) (4 Inch)	904	SY	\$42.00	\$37,968.00
Curb and Gutter	970	LF	\$25.00	\$24,250.00
Electric Meter	0	EA	\$1,650.00	\$0.00
2 Inch Electrical Conduit	0	LF	\$8.50	\$0.00
Electric Wiring (for Weatherproof Outlets at Tree Grates)	0	LF	\$3.60	\$0.00
Weatherproof Electric Outlets (for Tree Grates)	0	EA	\$230.00	\$0.00
Uplighting	0	EA	\$600.00	\$0.00
Steel Sign Support (2-Inch Round)(Post & Socket)	0	LF	\$22.00	\$0.00
Bicycle Rack	0	EA	\$1,350.00	\$0.00
Bench	0	EA	\$1,500.00	\$0.00
Trash Receptacle	0	EA	\$750.00	\$0.00
Ash Urn	0	EA	\$600.00	\$0.00
Sprinkler System (Includes 4" Sleeving & Repair of Existing System)	1	LS	\$30,000.00	\$30,000.00
Construction Surveying	1	LS	\$12,000.00	\$12,000.00
Mobilization	1	LS	\$36,000.00	\$36,000.00
Pavement Marking and New Signs	1	LS	\$12,500.00	\$12,500.00
Traffic Control	1	LS	\$30,000.00	\$30,000.00
	Subtotal=			\$351,848.60
Inflation Factor (6%)				\$21,110.92
Force Account (10%)				\$37,295.95
	Construction Subtotal=			\$410,255.47
Contingency (20%)				\$70,369.72
	PROJECT TOTAL=			\$480,625.19

5th Street (Between Rio Grande and Cook)
Conceptual Streetscape Engineer's Estimates

Description	Quantity	Unit	Unit Price	Item Cost
Tree Removal	0	Ea	\$200.00	\$0.00
Removal of Inlet	0	EA	\$860.00	\$0.00
Removal of Street Signs	0	EA	\$100.00	\$0.00
Removal of Sidewalk	96	SY	\$20.00	\$1,920.00
Removal of Curb and Gutter	875	LF	\$10.00	\$8,750.00
Removal of Asphalt Pavement	875	SY	\$15.00	\$13,125.00
Modify Sidewalk Vault	0	LS	\$25,000.00	\$0.00
Sawing Asphalt Material (6 inch)	1077	LF	\$2.10	\$2,261.70
Structural Soil-Import, Place & Compact (Include Geotextile Fabric)	0	CY	\$100.00	\$0.00
Amended Soil : Turf Mix	0	SF	\$3.20	\$0.00
Amended Soil : Planter Mix (9" thick)	53	CY	\$86.00	\$4,558.00
Storm Drain Inlet Protection	0	EA	\$270.00	\$0.00
Sediment Removal and Disposal	0	LS	\$3,000.00	\$0.00
Adjust Manhole	0	EA	\$610.00	\$0.00
Sod	0	SF	\$3.00	\$0.00
Mulching (Wood Chip) (4")	24	CF	\$2.50	\$60.00
Landscape Weed Barrier Fabric	1920	SF	\$0.50	\$960.00
Tree Grate	0	EA	\$2,500.00	\$0.00
Sculpture Base (Planters)	0	EA	\$1,750.00	\$0.00
Sculpture Base (WW II Sculpture)	0	EA	\$2,000.00	\$0.00
Fountain	0	LS	\$175,000.00	\$0.00
Landscape Boulder	0	EA	\$220.00	\$0.00
Deciduous Tree (1.5" Caliper)	0	EA	\$500.00	\$0.00
Deciduous Tree (2.5" Caliper)	0	EA	\$675.00	\$0.00
Deciduous Shrub (5 Gallon Container)	0	EA	\$43.00	\$0.00
Evergreen Shrub (5 Gallon Container)	0	EA	\$100.00	\$0.00
Perennials (1 Gallon Container)	0	EA	\$18.50	\$0.00
Hot Mix Asphalt (Patching)	0	SY	\$45.00	\$0.00
Concrete Alleyway (8 inch Grey Concrete)	0	SY	\$80.00	\$0.00
Planter Wall	216	LF	\$195.00	\$42,120.00
Planter Wall Pilaster w/ Fascia & Cap	0	EA	\$650.00	\$0.00
Concrete Band (24" x 18")	0	LF	\$60.00	\$0.00
Concrete Curbwall (24"x18")	0	LF	\$60.00	\$0.00
Concrete Curbwall (12"x18")	170	LF	\$30.00	\$5,100.00
24 Inch Reinforced Concrete Pipe (Complete In Place)	0	LF	\$89.00	\$0.00
24 Inch 22.5° Elbow Reinforced Concrete Pipe (Complete In Place)	0	EA	\$1,850.00	\$0.00
6.0' Modified Inlet Type D (Special)	0	EA	\$6,000.00	\$0.00
Manhole Box Base (5 Foot)	0	EA	\$8,900.00	\$0.00
Concrete Curb Pad	49	SY	\$75.00	\$3,675.00
Concrete Curb Ramp	48	SY	\$75.00	\$3,600.00
Truncated Domes	96	SF	\$16.00	\$1,536.00
Concrete Pavers (12"x12")	0	SY	\$115.00	\$0.00
Concrete Pavers (4"x4")	0	SY	\$120.00	\$0.00
Concrete Sidewalk (Natural) (4 Inch)	135	SY	\$42.00	\$5,670.00
Curb and Gutter	1028	LF	\$25.00	\$25,700.00
Electric Meter	0	EA	\$1,650.00	\$0.00
2 Inch Electrical Conduit	0	LF	\$8.50	\$0.00
Electric Wiring (for Weatherproof Outlets at Tree Grates)	0	LF	\$3.60	\$0.00
Weatherproof Electric Outlets (for Tree Grates)	0	EA	\$230.00	\$0.00
Uplighting	0	EA	\$600.00	\$0.00
Steel Sign Support (2-Inch Round)(Post & Socket)	0	LF	\$22.00	\$0.00
Bicycle Rack	0	EA	\$1,350.00	\$0.00
Bench	0	EA	\$1,500.00	\$0.00
Trash Receptacle	0	EA	\$750.00	\$0.00
Ash Urn	0	EA	\$600.00	\$0.00
Sprinkler System (Includes 4" Sleeving & Repair of Existing System)	1	LS	\$30,000.00	\$30,000.00
Construction Surveying	1	LS	\$12,000.00	\$12,000.00
Mobilization	1	LS	\$36,000.00	\$36,000.00
Pavement Marking and New Signs	1	LS	\$12,500.00	\$12,500.00
Traffic Control	1	LS	\$30,000.00	\$30,000.00
	Subtotal=			\$239,535.70
Inflation Factor (6%)				\$14,372.14
Force Account (10%)				\$25,390.78
	Construction Subtotal=			\$279,298.63
Contingency (20%)				\$47,907.14
	PROJECT TOTAL=			\$327,205.77

Cook Avenue Pedestrian Park

Engineer's Estimates

Description	Quantity	Unit	Unit Price	Item Cost
Tree Removal	8	Ea	\$200.00	\$1,600.00
Removal of Inlet	4	EA	\$860.00	\$3,440.00
Removal of Street Signs	6	EA	\$100.00	\$600.00
Removal of Sidewalk	1135	SY	\$20.00	\$22,700.00
Removal of Curb and Gutter	820	LF	\$10.00	\$8,200.00
Removal of Asphalt Pavement	2400	SY	\$15.00	\$36,000.00
Modify Sidewalk Vault	1	LS	\$25,000.00	\$25,000.00
Sawing Asphalt Material (6 inch)	340	LF	\$2.10	\$714.00
Structural Soil-Import, Place & Compact (Include Geotextile Fabric)	160	CY	\$100.00	\$16,000.00
Amended Soil : Turf Mix	13200	SF	\$3.20	\$42,240.00
Amended Soil : Planter Mix	100	CY	\$86.00	\$8,600.00
Storm Drain Inlet Protection	2	EA	\$270.00	\$540.00
Sediment Removal and Disposal	1	LS	\$3,000.00	\$3,000.00
Adjust Manhole	1	EA	\$610.00	\$610.00
Sod	13200	SF	\$3.00	\$39,600.00
Mulching (Wood Chip) (4")	82	CF	\$2.50	\$205.00
Landscape Weed Barrier Fabric	2200	SF	\$0.50	\$1,100.00
Tree Grate	16	EA	\$2,500.00	\$40,000.00
Sculpture Base (Planters)	2	EA	\$1,750.00	\$3,500.00
Sculpture Base (WW II Sculpture)	1	EA	\$2,000.00	\$2,000.00
Fountain	1	LS	\$175,000.00	\$175,000.00
Landscape Boulder	42	EA	\$220.00	\$9,240.00
Deciduous Tree (1.5" Caliper)	6	EA	\$500.00	\$3,000.00
Deciduous Tree (2.5" Caliper)	30	EA	\$675.00	\$20,250.00
Deciduous Shrub (5 Gallon Container)	40	EA	\$43.00	\$1,720.00
Evergreen Shrub (5 Gallon Container)	20	EA	\$100.00	\$2,000.00
Perennials (1 Gallon Container)	280	EA	\$18.50	\$5,180.00
Hot Mix Asphalt (Patching)	80	SY	\$45.00	\$3,600.00
Concrete Alleyway (8 inch Grey Concrete)	140	SY	\$80.00	\$11,200.00
Planter Wall	200	LF	\$195.00	\$39,000.00
Planter Wall Pilaster w/ Fascia & Cap	40	EA	\$650.00	\$26,000.00
Concrete Band (24" x 18")	250	LF	\$60.00	\$15,000.00
Concrete Curbwall (24"x18")	600	LF	\$60.00	\$36,000.00
Concrete Curbwall (12"x18")	140	LF	\$30.00	\$4,200.00
24 Inch Reinforced Concrete Pipe (Complete In Place)	300	LF	\$89.00	\$26,700.00
24 Inch 22.5" Elbow Reinforced Concrete Pipe (Complete In Place)	2	EA	\$1,850.00	\$3,700.00
6.0' Modified Inlet Type D (Special)	2	EA	\$6,000.00	\$12,000.00
Manhole Box Base (5 Foot)	2	EA	\$8,900.00	\$17,800.00
Concrete Curb Pad	40	SY	\$75.00	\$3,000.00
Concrete Curb Ramp	30	SY	\$75.00	\$2,250.00
Truncated Domes	40	SF	\$16.00	\$640.00
Concrete Pavers (12"x12")	135	SY	\$115.00	\$15,525.00
Concrete Pavers (4"x4")	705	SY	\$120.00	\$84,600.00
Concrete Sidewalk (Natural) (4 Inch)	1065	SY	\$42.00	\$44,730.00
Curb and Gutter	340	LF	\$25.00	\$8,500.00
Electric Meter	1	EA	\$1,650.00	\$1,650.00
2 Inch Electrical Conduit	540	LF	\$8.50	\$4,590.00
Electric Wiring (for Weatherproof Outlets at Tree Grates)	540	LF	\$3.60	\$1,944.00
Weatherproof Electric Outlets (for Tree Grates)	16	EA	\$230.00	\$3,680.00
Uplighting	4	EA	\$600.00	\$2,400.00
Steel Sign Support (2-Inch Round)(Post & Socket)	20	LF	\$22.00	\$440.00
Bicycle Rack	4	EA	\$1,350.00	\$5,400.00
Bench	8	EA	\$1,500.00	\$12,000.00
Trash Receptacle	8	EA	\$750.00	\$6,000.00
Ash Urn	4	EA	\$600.00	\$2,400.00
Sprinkler System (Includes 4" Sleeving & Repair of Existing System)	1	LS	\$30,000.00	\$30,000.00
Construction Surveying	1	LS	\$12,000.00	\$12,000.00
Mobilization	1	LS	\$36,000.00	\$36,000.00
Pavement Marking and New Signs	1	LS	\$12,500.00	\$12,500.00
Traffic Control	1	LS	\$30,000.00	\$30,000.00
	Subtotal=			\$987,488.00
Inflation Factor (6%)				\$59,249.28
Force Account (10%)				\$104,673.73
	Construction Subtotal=			\$1,151,411.01
Contingency (20%)				\$197,497.60
	PROJECT TOTAL=			\$1,348,908.61

Depot Conceptual Plan Engineer's Estimates

Description	Quantity	Unit	Unit Price	Item Cost
Tree Removal	0	Ea	\$200.00	\$0.00
Removal of Inlet	2	EA	\$860.00	\$1,720.00
Removal of Street Signs	6	EA	\$100.00	\$600.00
Removal of Sidewalk	95	SY	\$20.00	\$1,900.00
Removal of Curb and Gutter	600	LF	\$10.00	\$6,000.00
Removal of Asphalt Pavement	1400	SY	\$15.00	\$21,000.00
Removal of Shed	1	LS	\$8,000.00	\$8,000.00
Modify Sidewalk Vault	0	LS	\$25,000.00	\$0.00
Sawing Asphalt Material (6 inch)	600	LF	\$2.10	\$1,260.00
Structural Soil-Import, Place & Compact (Include Geotextile Fabric)	530	CY	\$100.00	\$53,000.00
Amended Soil : Turf Mix	3150	SF	\$3.20	\$10,080.00
Amended Soil : Planter Mix	340	CY	\$86.00	\$29,240.00
Storm Drain Inlet Protection	3	EA	\$270.00	\$810.00
Sediment Removal and Disposal	1	LS	\$3,000.00	\$3,000.00
Adjust Manhole	0	EA	\$610.00	\$0.00
Sod	1000	SF	\$3.00	\$3,000.00
Mulching (Wood Chip) (4")	3090	CF	\$2.50	\$7,725.00
Landscape Weed Barrier Fabric	9360	SF	\$0.50	\$4,680.00
Tree Grate	23	EA	\$2,500.00	\$57,500.00
Sculpture Base (Planters)	2	EA	\$1,750.00	\$3,500.00
Sculpture Base (Front of Depot)	1	EA	\$2,000.00	\$2,000.00
Fountain	0	LS	\$175,000.00	\$0.00
Landscape Boulder	0	EA	\$220.00	\$0.00
Deciduous Tree (1.5" Caliper)	35	EA	\$500.00	\$17,500.00
Deciduous Tree (2.5" Caliper)	41	EA	\$675.00	\$27,675.00
Evergreen Tree (6')	41	EA	\$675.00	\$27,675.00
Deciduous Shrub (5 Gallon Container)	433	EA	\$43.00	\$18,619.00
Evergreen Shrub (5 Gallon Container)	127	EA	\$100.00	\$12,700.00
Perennials (1 Gallon Container)	985	EA	\$18.50	\$18,222.50
Hot Mix Asphalt (Patching)	135	SY	\$45.00	\$6,075.00
Asphalt Paving (Parking)	28750	SF	\$2.10	\$60,375.00
Concrete Alleyway (8 inch Grey Concrete)	0	SY	\$80.00	\$0.00
Planter Wall	350	LF	\$195.00	\$68,250.00
Planter Wall Pilaster w/ Fascia & Cap	70	EA	\$650.00	\$45,500.00
Concrete Band (24" x 18")	760	LF	\$60.00	\$45,600.00
Concrete Curbwall (24"x18")	0	LF	\$60.00	\$0.00
Concrete Curbwall (12"x18")	440	LF	\$30.00	\$13,200.00
24 Inch Reinforced Concrete Pipe (Complete In Place)	450	LF	\$89.00	\$40,050.00
24 Inch 22.5" Elbow Reinforced Concrete Pipe (Complete In Place)	3	EA	\$1,850.00	\$5,550.00
6.0' Modified Inlet Type D (Special)	3	EA	\$6,000.00	\$18,000.00
Manhole Box Base (5 Foot)	3	EA	\$8,900.00	\$26,700.00
Concrete Curb Pad	60	SY	\$75.00	\$4,500.00
Concrete Curb Ramp	72	SY	\$75.00	\$5,400.00
Truncated Domes	70	SF	\$16.00	\$1,120.00
Concrete Pavers (12"x12")	360	SY	\$115.00	\$41,400.00
Concrete Pavers (4"x4")	225	SY	\$120.00	\$27,000.00
Concrete Sidewalk (Natural) (4 Inch)	1695	SY	\$42.00	\$71,190.00
Curb and Gutter	1030	LF	\$25.00	\$25,750.00
Electric Meter	1	EA	\$1,650.00	\$1,650.00
2 Inch Electrical Conduit	540	LF	\$8.50	\$4,590.00
Electric Wiring (for Weatherproof Outlets at Tree Grates)	540	LF	\$3.60	\$1,944.00
Weatherproof Electric Outlets (for Tree Grates)	23	EA	\$230.00	\$5,290.00
Uplighting	4	EA	\$600.00	\$2,400.00
Steel Sign Support (2-Inch Round)(Post & Socket)	20	LF	\$22.00	\$440.00
Bicycle Rack	4	EA	\$1,350.00	\$5,400.00
Bench	8	EA	\$1,500.00	\$12,000.00
Trash Receptacle	8	EA	\$750.00	\$6,000.00
Ash Urn	4	EA	\$600.00	\$2,400.00
Sprinkler System (Includes 4" Sleeving & Repair of Existing System)	1	LS	\$60,000.00	\$60,000.00
Construction Surveying	1	LS	\$16,000.00	\$16,000.00
Mobilization	1	LS	\$36,000.00	\$36,000.00
Pavement Marking and New Signs	1	LS	\$12,500.00	\$12,500.00
Traffic Control	1	LS	\$30,000.00	\$30,000.00
	Subtotal=			\$1,039,680.50
Inflation Factor (6%)				\$62,380.83
Force Account (10%)				\$110,206.13
	Construction Subtotal=			\$1,212,267.46
Contingency (20%)				\$207,936.10
	PROJECT TOTAL=			\$1,420,203.56

Appendix E

Grant and Funding Resources

Following is a synopsis of potential grant and funding sources that might be used to advance select elements of the RATON DOWNTOWN MASTER PLAN.

Certified Local Government Program (CLG)

The Federal Historic Preservation Fund (HPF) provides funds for various historic preservation projects. Only certified local governments are eligible for funding from this program. Candidate projects must have a clear historic preservation agenda. Some of the projects which have been completed under this program include historic markers, surveys, national register nominations, design guidelines, etc. Actual renovation projects are not precluded but the available funds are limited. These funds require a 40% match, preferably in cash, to be eligible. The deadline for submission of grant requests is mid December. Awarded projects need to start by July of the following year and be completed by June 30th of the next following.

“Small Cities” Community Development Block Grant Program (CDGB)

The Federal Community Development Block Grant (CDBG) program was established by the Housing and Community Development Act of 1974. The program is designed to help communities meet their greatest community development and redevelopment needs, with particular emphasis on assisting persons of low and moderate income. The overall program consists of two major elements: the “entitlement” program and “non-entitlement”, or so-called “Small Cities” program.

State Historic Fund

State historic funds can be used for acquisition, restoration, and repair historic properties. The property must be designated on the national or state register or be locally designated. The State Historic Fund will also fund survey, planning and education programs. Application must be made through a governmental entity. Non-profits may apply with a governmental entity as a co-applicant. Funds favor public projects over private projects although they have funded many private projects with local government support. Old project grant cap was \$100,000. New policies allow projects to exceed \$100,000 if there is a substantial cash match. Projects exceeding \$100,000 may also be submitted as a multi-year project. It is preferable to develop a multi-year strategy that allows projects to be completed within themselves as separate, but related, components of a larger program. Policy requires a 25% cash match (minimum). Deadlines to submit an application are October and April.

Special Districts (Title 32), Including Metropolitan Districts

These districts are independent, quasi-municipal operations with independently elected boards. They exist in perpetuity unless steps are taken to dissolve them and can be organized for a single purpose (metropolitan districts can provide many municipal services).

General Improvement District (GID)

A GID is a taxing district that can construct certain facilities, operate them, and condemn property. SIDs exist only as administrative subdivisions of the municipality, assessing the costs of public improvements to those who are specially benefited by them (SIDs are usually dissolved once the improvements are completed and debt is retired). The size and scope of downtown improvement plans would indicate that GID would be considerably more appropriate than a SID.

Urban Renewal Authority (URA)

Intended to make improvements in urban areas, a URA can be created by resolution of council upon petition by 25 registered electors of the municipality. A hearing to determine that “slum” and “blight” conditions exist in the urban renewal area must precede the resolution. URA’s generally employing a Tax Increment Financing (TIF) technique.

Downtown Development Authority (DDA)

A DDA is created by a majority vote of qualified electors residing or owning or leasing property in a specified area that must be within the “central business district”. A DDA can be used to prevent as well as correct deteriorated economic or physical conditions. It has a board appointed by municipal governing board. The DDA board must create a plan that specifies improvements to be made subject to council approval. A DDA can assess an ad valorem levy of up to 5 mills for operating purposes.

Business Improvement District (BID)

BIDs are usually created to provide certain services that URAs and DDAs are not authorized to perform; for example, consulting or planning, managing development, marketing activities, business recruitment, etc. BID boundaries may consist of contiguous or noncontiguous parcels of commercial property. No residential or agricultural property can be included in the district.

Because of the flexibility of its financing options and its special focus on commercial property, a BID would be a practical way to finance and implement a downtown

improvement plan. New districts can be overlaid onto an existing special district providing the existing district gives its approval. However, a BID that only encompasses the downtown's commercial properties does not help spread the financing burden community-wide.

Sales Tax for Payment of Bonds

Another option that a City can examine, particularly if it wants to spread the burden of financing the proposed improvement plan city-wide, is an election to increase the sales tax and authorize the issuance of sales tax bonds. If a sales tax is used, the city could stipulate that the tax would sunset as soon as the bonds are paid off.

A sales tax is a solid financing option for a proposed improvement plan because of the flexibility it provides and the fact that it spreads the financing burden city-wide. This may be more palatable than an additional property tax on only those properties in the downtown area. Additional research would be required to estimate how much of a sales tax would be necessary and the likelihood of a sales tax election succeeding in today's political climate.

Safetea-Lu Enhancement Program

Originally created by Congress in 1991 (ISTEA), this program was reauthorized in 1998 (TEA-21), and again in 2005 (SAFETY-LU). It provides funds for alternative modes of travel and historic preservation work associated with Federal Highway projects. Eligible funding categories include; intersection improvements; installation of devices or improvements to improve bicycle, pedestrian and disabled safety; construction of traffic calming features; improvement of highway signage and pavement markings; barriers and crash attenuators; and, improvement projects on any public roadway or publicly owned bicycle or pedestrian pathway or trail.

The program as structured requires a 20% match, and a considerable application process. Applicants submit their proposals through a Regional Planning Organization (RPO) or Metropolitan Planning Organization (MPO). These are forwarded to NMDOT Region's for review by their panel of readers. Successful applicants are notified approximately six weeks from the date of submission.

National Scenic Byway Program

A subprogram of SAFETY-LU, under the National Scenic Byway Program certain roads are recognized as National Scenic Byways or All-American Roads. Second Street is part of the Santa Fe Trail Scenic Byway. The National Scenic Highways Discretionary Grants program provides funding for byway-related projects each year. Projects to support and enhance the National Scenic Byways, All American Roads, and State-

designated byways are eligible. Applications are submitted through the State's byway program agency.

Federal Transit (5309) Funds

Transit 5309 funds are available through discretionary grants from the Federal Transit Administration (FTA). Applications are reviewed on a competitive basis. Funds include grants for bus transit development and "new starts" of Light Rail Transit (LRT) and other high capacity systems. Bus Transit requires a 20 percent local match, while new starts are expected to require a 50 percent local match. These funds are granted at the discretion of the FTA, following a very thorough evaluation process.

NMDOT Programs - Miscellaneous

- Elderly and Persons with Disability Program
- Job Access and Reverse Commute Program
- Safe Routes to Schools Program
- CMAQ

Development Impact Fees

The City can collect developer in-lieu fees and pro-rata share fees to help pay for the construction of new infrastructure improvements. These fees are paid at the time of building permit issuance to help defray the costs for construction of water/sewer system improvements and other infrastructure. The pro-rata share method of fee assessment requires the completion of a Specific Infrastructure Financing Plan. Through this method, new development pays for a portion of the cost of new infrastructure construction.

Public – Private Infrastructure Financing Methods

There are a number of infrastructure financing methods which involve public/private partnerships. These include low interest loans, and government grants for specific projects. The following infrastructure financing sources involving a joint effort of the City and private developers are available: Federal Government (USDA Rural Development and Federal Economic Development Administration) provides grants for water and sewer infrastructure; Federal Aviation Administration provides grants for airport construction; Federal Enterprise Community and Empowerment Zones provide infrastructure improvement grants and Tax incentives for private businesses; and, Tax Increment Financing of Infrastructure Improvements may be an option for infrastructure financing.

New Mexico Arts and Culture District Program

The goal of the New Mexico Arts and Cultural District Program is to help a community turn their vision into commerce, tourism, artistic growth, and civic pride. In technical language: place-based community economic development rooted in a community's dynamic arts and cultural environment.

A unique joint effort between the New Mexico Department of Economic Development's Main Street Program, the Department of Tourism's Scenic Byways Program, and the Department of Cultural Affairs' Divisions of New Mexico Arts and Historic Preservation, the New Mexico Arts and Cultural District Program was established to help communities preserve their heritage while providing support to cultural entrepreneurs and institutions, while capitalizing on the potential economic opportunity for the District as well as the town. From playwriting to photography, theater to sculpture, film and digital media, graphic arts to culinary arts, the New Mexico Arts and Cultural District Program embraces the full spectrum of the creative economy. In 2007, the legislature passed enabling legislation to establish New Mexico's Arts and Cultural District Program. They designated the State's Main Street Program Director as the State Coordinator of the Program and the New Mexico Arts Commission as its "authorizing" governing body.

NEW MEXICO MAINSTREET PROGRAM – GRANTS AND TECHNICAL ASSISTANCE

The New Mexico Main Street program fosters economic activity and vitality of small downtowns within the context of historic preservation. New Mexico Main Street Communities can receive assistance with a wide range of needs including organizational formation and start-up, work plan preparation, economic feasibility assessment, structural assessment, marketing plan development and implementation in addition to business assistance workshops, resource materials and grants. Communities must match 10%-30% and leverage funds from other programs. Applications are accepted annually

Main Street's program associates provide free training sessions on town design, promotion and publicity, organization, and economic restructuring. Main Street also sponsors architecture projects through the University of New Mexico Design Planning and Assistance Center (DPAC). In spring of 2008, New Mexico Main Street, EDD, and the New Mexico Tourism Department joined forces to re-launch the travel website [Off the Road](#). The redesigned web site shows travelers where to shop and dine on main streets, town squares, and plazas in member communities. When the site was originally launched in early 2006, it received national attention on CNN.com, USAToday.com and many others.

New Mexico Main Street is the local division of the National Main Street Center in Washington, D.C., part of the National Trust for Historic Preservation.

Rural Economic Development Partnership (REAP)

REAP is an informal group of rural community development funding agencies which work together to increase the effectiveness of funding economic and community development projects in New Mexico by enhancing collaboration among the member agencies. Projects seeking funding by REAP should have a business plan that demonstrate financial sustainability and community commitment; and should create new jobs and wealth for the region.

Governor Richardson's Investment Partnership (GRIP)

With enactment of House Bill 15 during the 2003 special legislative session, Governor Richardson's Investment Partnership was created. This partnership - between the Department of Transportation and the New Mexico Finance Authority (NMFA) - is a \$1.6 billion statewide transportation expansion and infrastructure improvement initiative. The financing plan included three bond issuances: the already completed 2004 issuance of \$737 million of new money and \$438 million of refinancing of money; a 2006 issuance of approximately \$400 million and a 2010 issuance of approximately \$485 million.

New Mexico Finance Authority Loan Programs

Following are some of the loan programs managed by the New Mexico Finance Authority that might be used for master plan projects, or portions of projects: GRIP II; Local Transportation Infrastructure Fund Act; ; and, Water and Wastewater Grant Fund.

Community Development Revolving Loan Fund (CDRLF)

Since 1983 the Economic Development Department's Community Development Revolving Loan Fund has made 17 loans to 15 different New Mexico communities totaling more than \$3.5 million. Loans are available for projects, which stimulate job creation and prosperity and may be used for infrastructure improvements, acquisition of real property, construction, rehabilitation, public facilities, and other real property investments.

USDA Rural Community Development Program

The Community Development Program administers rural community development programs within USDA Rural Development. Each program and initiative promotes self-

sustaining, long-term economic and community development in rural areas. The programs demonstrate how every rural community can achieve self-sufficiency through innovative and comprehensive strategic plans developed and implemented at a grassroots level. The programs stress continued local involvement and decision making which is supported by partnerships among private, public and nonprofit entities.

Other Funding Strategies and Resources

- Bricks / Plaques
- Benches
- Trash Cans
- Trees
- Adopt-a-Landscape Area
- Street Light Program
- Water Fountain (Drink)
- Sculptures / Public Art
- Pocket Park
- Playground Equipment
- Historic Restoration
- LOTTERY / Auction / Raffles
- In-Kind Services
- Legacy / Trust funds
- Concession agreements
- Naming Rights
- Ordinances

Appendix F

Economic Development Glossary

Advocacy Entity: Planning and management entities separate from governmental agencies responsible for designated areas. Entity assumes promotion of area, manages and coordinates its implementation, initiates actions to move area closer to its vision. Specific functions may include: acquire, assemble, hold and convey land to permit new forms of infill development; facilitate targeted home rehabilitation loans; coordinate and participate in real estate development and infrastructure financing; facilitate actions of public agencies responsible for government services; monitor traffic issues and manage parking efficiently; monitor security matters; coordinate the dissemination of market information; establish fees, rates and charges for use of property; and direct marketing and promotion.

Affordable Housing Demonstration Project: Public-private effort whereby public sector contributes land, financing, or the like, and private sector (developer) contributes their expertise and money to joint development of an affordable housing project; program is designed to educate delivery system (property owners, developers, lenders, public officials, community at-large, etc.) on “value” of developing product in the market.

Brownfields: Contaminated former industrial and commercial lands – comprising a portion of a site that could be redeveloped.

Business Recruitment /Retention: Program, frequently administered by an economic development entity, which assists with the recruitment (attraction) or retention of business either into or within a designated area; program elements, might include financial assistance, regulatory assistance, and/or marketing.

Capital Access Fund (State): Established to increase the availability of financing for businesses and nonprofit organizations that face barriers in accessing capital; guidelines are generally more permissive than conventional lending criteria. A reserve account is established at the lending institution and fund acts as a credit enhancement, inducing financial institution to make a loan.

Capital Improvement Plan (CIP): Dollars earmarked for improvement and extension of infrastructure in municipalities.

Community Development Assistance (CDA) (State): Authorizes up to certain percent of state tax credits to eligible contributors investing in approved community projects; in certain instances applicants must meet economic distress criteria; non-profit developers subject to limitations on per project tax credits.

Community Development Block Grants (CDBG) (Federal): Federal grants, administered through local or regional offices, designed to lower the overall cost of a project; projects must demonstrate the ability to improve the economic conditions of an area.

Community Development Corporation (CDC): Nonprofit organizations based in specific neighborhoods and subject to local governance. CDCs may rehabilitate and build affordable housing for neighborhood residents, foster local economic development, and provide an array of related social services.

CDFIs - Community Development Financial Institutions: Networks of federal banks, credit unions, and CDCs that target loans to redlined areas.

Community Reinvestment Act (CRA): Program under which federally-insured lending institutions are provided incentives to offer assistance with development financing for local projects (particularly those in economically-distressed areas); assistance usually offered at a favorable rate; institutions earmark a percent of their lending dollars for this program.

Concentrated Public Facilities: City investment in identified areas by locating both facilities and publicly-sponsored developments and amenities in places where infill development is desired; result is a greater leverage of public dollars through strategic investment, and ability to assist developer with financial pre-leasing requirements.

Cultural Arts Activities: Activities and programs which encourage use of the arts in a designated area by a variety of participants.

Cultural Tourism: Cultural and historic community elements of interest to visitors to an area; a thriving industry for many areas of the east and south. Cultural tourism efforts generally originate at a grass-roots level, but quickly require the assistance and coordination of municipal and state entities.

Density Bonuses: Incentive offered to developers of projects that meet specified goals (i.e., affordable housing, public spaces, transit, etc).

Design Guidelines: Formal set of guidelines (with over-sight by a board comprised of area stakeholders, neighborhood representatives, and design professionals) for use by investors doing projects within priority areas. Guidelines address character and quality levels and frame discussions with staff.

Design Standards: Formal set of standards (either administered through an appointed design-review committee and/or municipal staff) for development which requires certain development character and quality levels for the built and natural environment.

Developer RFPs: Request-for-Proposals from potential developers of projects in designated areas. Selection of developer based on dollar amount of bid; quality of design; developer's track record; and preferences of issuing entity.

Development Fee Waivers: Monetary charges on development designed to recoup a portion of the capital and operating costs required to accommodate a project and encourage infill projects. Note: Fees for sewer/water hook-ups, building permits, processing fee, etc. can be waived or delayed until the developer sees a positive cash flow.

Development Standard Waivers: During approvals process, City can grant waivers or variances for items including height limits, setbacks, density, lot coverage, rear access, etc.

Economic Development Administration (EDA) (Federal): Public entity which provides assistance in form of planning grants and construction financing - for the development of projects in rural and urban locations which will result in the creation of jobs for the community.

Educational Seminars: Programs hosted by a variety of entities (i.e., lender, developer, municipal, etc.) which promote an open dialogue among those individuals and organizations which represent delivery system; can occur in a variety of forums; purpose is to provide participants with various perspectives and an understanding of initiatives designed to facilitate development process.

Empowerment Zone (Neighborhood or Federal): Allows businesses that construct or rehabilitate commercial property to deduct a portion of "qualifying revitalization expenditures up to a certain amount;" within neighborhoods (local), -- located entirely or partially within a CDBG-eligible area designed to promote the creation or rehabilitation of affordable housing; increase economic development; or increase the quality of social service, education or public safety provided to residents in the zone through a waiver of fees combined with other municipal incentives.

Engage Elected Officials: Variety of methods by which elected officials are engaged in planning and implementation efforts; improved communication between staff and elected officials. Note: This should be a common practice, not project-specific.

Enterprise Zone: State-designated area where businesses located within them that make capital investments, hire new employees, contribute to economic development plans, rehabilitate old buildings and/or do research and development are provided a tax credit. An approach to revitalizing distressed areas by offering tax incentives, regulatory relief and improved government services.

Environmental Impact Reports (EIR)s: Used to assess environmental impacts and determine mitigation measures needed for building a redevelopment plan, specific plan, or community plan. As projects are identified, the City may be asked to conduct additional environmental reviews or focus on few identified areas.

Façade Maintenance Program: Any program – local, state or federal – including low interest loans and/or grants – which encourages investment in, and improvement to, building facades within a planning area. May also be designed as a matching funds program, within a district, for building façade maintenance.

Foreign Trade Zone: Also known as Free Trade Zone, parts designated by the government for the duty-free entry of non-prohibitive goods; merchandise may be stored, displayed, assembled, packaged, or used for manufacture within the zone and re-exported without duties being levied.

Government Liaison: Individual or committee charged with establishing and maintaining a dialogue between various branches of government (local, county, regional) regarding issues such as – intergovernmental agreements, regulatory reform, facilities planning, etc.

Historic Preservation Easement: A mechanism which permanently protects historic properties; a private legal interest conveyed by a property owner to a preservation organization or to a government entity. Once in place, it binds both the current owner and future owners to protect the historic character of the property subject to the easement. While some easements are for a period of years, in most instances easements are created as permanent restrictions.

Historic Preservation Investment Tax Credits (Federal): Percent of rehabilitation costs of income-producing properties can be used as a tax credit which can be sold on the market.

Historic Preservation Revolving Loan Fund: Available to provide low interest loans to property owners at any income level in historic districts. The loans are usually available on a competitive basis to all property owners at any income level for exterior rehabilitation projects.

HOME: HOME Investment Partnership Program, whereby HUD allocates funds by formula among eligible state and local governments to strengthen public-private partnerships and to expand the supply of decent, safe, sanitary and affordable housing for very low-income families.

Improvement District: Both an organizing and financing technique for area revitalization. District provides stable stream of income for activities and projects

considered special to area or in addition to general municipal services. Districts are vehicle for providing additional services for a fee and not a substitute for services funded through traditional tax revenues.

Infill Development: Development of new homes, commercial and/or retail buildings, and public facilities on unused or underused land in existing area.

Infrastructure Cost Participation: Cost of infrastructure (either on-site or off-site) shared by developer and/or property owner with an entity (public (city/county), private (developer co-op), or semi-private organization which will benefit from its availability – can be offered through a formal program or on a case-by-case basis.

Land Assembly: Land assembled by public, private or non-profit entity in effort to position it for development of a larger projects. Assembly can happen through purchases of properties, vacating and/or rerouting streets, alleys, etc.

Land Donation/Write-Down: Property owner -- public (city/county), private (developer), or semi-private organization – contributes land to a project either as a donation without an expected return, or at a reduced price. City-acquired property through fee simple transactions and foreclosures are an obvious source for a land contribution.

Land Swap: To develop specific infill site in specified way cities can offer an exchange of city-owned land of similar value in alternate location.

Level-of-Service: Roads within a community are designed to meet specified goals regarding mobility, connectivity, regional planning and land use development. Level-of-service is a measure used to describe street standards necessary to address the role of the street. By adjusting level-of-service you address the tension between through-trips and access to activities and services along the road (corridor).

Leverage Infrastructure Funding to Support Private Money: Within a predefined area, public investment for infrastructure located strategically to leverage private investment.

Limitations on Infrastructure Extensions: Method used in regional growth management whereby efficient development patterns are rewarded.

Linked Deposits: Local development agencies and downtown development organizations use their bank deposits to leverage bank lending for activities supported in the area. City or development agency deposits its funds in one or several banks with the provision that the bank make loans in support of identified community objective.

Note: In select instances, cities have foregone interest on these deposits so that the bank can make loans at below market rates.

Liquor License Restrictions: Limit on the number of liquor licenses which are issued in a designated area. Restrictions are generally tied to businesses which generate a certain percent of their revenue from liquor sales. The purpose of this action is not to eliminate restaurants, but concentrations of bars.

Loan Pool (Lending Pools): Several lending organizations contributing financing to a project or projects, thus sharing risk. An amount of capital pledged by several entities businesses based on some agreed upon goals or other criteria. Pledges can be in the form of loans, letters of commitment and stock purchases. Pool can be either organized formally or on a case-by-case basis.

Low Income Housing Tax Credits (State): Dollar for dollar reduction or credit against an investor's federal income tax liability on salary, wages, business, etc.; credit is treated like a cash payment or as a reduction against the amount of tax owed; sale of tax credits by the developer contributes to project equity, thereby reducing developer's out-of-pocket investment.

Low Interest Loans/Subordination: Loans for construction, acquisition, operation, etc. are offered to qualifying individuals or organizations at a preferred interest rate; subordination by a public (city/county), private (lender), or semi-private organization of a loan in order to provide a guarantee to the lending organization that in the event of default, the debt service will be paid.

Main Street Program: Financial and advisory assistance for downtowns and neighborhood commercial districts including the use of preservation and economic development strategies affiliated with the National Trust for Historic Preservation.

Management District: Both an organizing and financing technique for area revitalization. District provides stable stream of income for activities and projects considered special to an area or in addition to general municipal services. Districts are vehicle for providing additional services for a fee and not a substitute for services funded through traditional tax revenues. Similar to Improvement District, but emphasis on marketing, management and promotion.

Micro Loan Program: Offers small amounts of capital to very small businesses for a wide range of capital needs including façade improvements, working capital and personal needs; provide loan guarantees. Downside: Excessive credit analysis and underwriting costs.

New Market Tax Credits: Designed to stimulate investment in low-income qualifying areas by providing financing assistance to qualified projects; investors receive a federal income tax credit equal to 39 percent over seven years. The project, in turn, received an equity contribution equal to 25 percent of the amount of tax credits sold; assuming

the project has access to up to \$20 million of tax credits that can be sold to investors, then 25 percent of that amount, or \$5 million could be put directly into the project. Note: A non-profit corporation, known as Community Development Entity acquires and sells the credits for eligible projects.

Non-Profit Developer Support: Variety of financial and regulatory tools and programs which streamline and reduce costs for “eligible projects” by “eligible developers.”

Overlay Zone (i.e., historic, parking): Designated area superimposed on one or more existing zoning districts; designed to protect or enhance an area’s special qualities; governmental review of all developments, with the power to approve design according to standards contained in the ordinance or in a district plan or design guidelines; program elements include “bonuses” and “requirement adjustments.”

Park-in-a-Park: Creative method by which parking is secondary to design and landscaping, giving visual appearance of cars in a park rather than trees in a parking lot.

Parking District: Designated area wherein parking design, development and management issues among multiple facilities are controlled by select entity beyond that provided for by standard municipal levels of service and control.

Pedestrian Enhancements and Linkages: Various public, private and non-profit initiatives to improve the pedestrian environment in a designated area, i.e., permanent and temporary streetscape elements, sidewalk widening, reduced speeds, etc. Resulting environment is designed to accommodate needs of pedestrians, as well as through- and destination-traffic, by incorporating select infrastructure improvements, design elements, and traffic management mechanisms. Methods to achieving this include: separating traffic through use of parallel streets; limiting access points; linking parking lots; coordinating traffic signals; adding alternative transportation lanes; widening sidewalks; providing crosswalks; providing street lights and furniture; preventing “deadening” uses without building front; and, incorporating transit stops.

Predevelopment Funding Grants: Financing for project expenses incurred prior to construction, i.e., soft costs including consulting, design, engineering, and planning, and marketing, etc. Note: The Economic Development Administration (EDA) has funds for predevelopment and construction costs (hard and soft).

Project Thresholds: Project size thresholds, predetermined and designed to allow smaller projects to be rapidly permitted, saving extensive reviews for larger developments and environmentally-sensitive sites.

Public Subordination: City/county provides a guarantee to the lending organization that, in the event of default, debt service will be paid.

Redevelopment: Restoration of existing buildings and properties that are blighted and/or which diminish the character and function of a neighborhood; includes adaptive use and historic preservation properties.

Regulatory Reform: Initiative by a government entity to amend existing regulatory documents to be responsive to prevailing market and economic conditions; examples might include: new or amended zoning designations, planning approval process reform, updated comprehensive plan, etc.

Revenue or General Obligation Bond: If a project has a secure revenue stream, such as parking fees resulting from construction of a parking structure, bonds may be issued and amortized by the anticipated revenue which results from the improvement that was funded. Bonds are not secured against the taxing authority of the City, and therefore do not require a public vote.

Reverse Mortgage: Low interest loan based on equity in home; particularly relevant for seniors. Use of reverse mortgage dollars are generally restricted to property reinvestment projects.

Revolving Loan Funds: Flexible funding in the form of loans, guarantees and interest subsidies to firms which further local development goals; designed to alleviate high costs and short supply of capital for businesses, particularly small ones, or those located in distressed areas. Components include: lower rates, longer terms; many capitalized by/with federal funds combined with private funds.

Re-Zone Parcels: Either city-owned and initiated, or petition-based, through an organized effort initiated by the “advocacy entity” to enlist the support of property owners within a designated area – request for a change in property zoning designation (to mixed-use); the objective is to provide landowners the incentive and economic strength to maintain and redevelop a high-quality environment and react more swiftly to market trends.

Sales Tax Refund: Refunds on net state sales and use taxes and franchise taxes for paying local school taxes up to a specific amount.

Sales Tax Sharing: Future sales from a development can be rebated to a developer to pay for infrastructure - city/county agrees to split sales tax revenue with developer, then developer uses funds to pay for infrastructure.

School Programs: Programs (i.e., essays, art, civic participation) which encourage the involvement of students in a designated area.

Self-Certification Program: Contractors assume responsibility for inspecting and certifying the correct completion of their own work. Quality is assured by random spot checks; contractors who cheat lose their licenses.

Self-Supporting Municipal Improvement District (SSMID): District providing stable stream of income for activities and projects considered special to area or in addition to general municipal services. Districts are a vehicle for providing additional services for a fee and not a substitute for services funded through traditional tax revenues.

Signature Project: Public-private effort whereby public sector contributes land, financing, or the like, and private sector (developer) contributes their expertise and money to joint development of a significant project within a designated planning area; program is designed to encourage development of projects which will serve as catalysts for additional investment.

Smart Growth: Growth management program which combines incentives, disincentives, and traditional planning techniques to promote a pattern of growth that achieves economic, environmental, and quality-of-life objectives.

Streamlined Development Approval: Initiative by government entity to facilitate a timely approvals process for (re)development projects meeting certain criteria. Also referred to as a “green-tape” permitting program. Critical elements of program: 1) streamlined permit and entitlement process; 2) greater predictability; and, 3) fairness in fees and exactions. Components: 1) appointed case manager; 2) consolidated permit process; 3) waived or reduced fees; 4) reduced number of changes to previously approved plans; 5) stoppage to the issuance of conflicting requirements by different departments; 6) a single public hearing; 7) streamlined environmental review process.

Tax Abatement or Rebate: Taxing entity (usually the city) abates or rebates a portion of tax burden; this can happen in the form of an adjustment on an individual property basis, or in an abatement zone.

Tax Exempt Bond Financing: Method of financing long-term debt issued by government whereby bondholders need not include interest payments on taxable income.

Tax Increment Financing (TIF): A district obtains funds from increases in regular tax revenues that arise from new development in the district; incremental increase in tax revenues over designated base year revenues is diverted to a special fund; diversion of regular tax revenues rather than additional fees to generate revenue for district investments. Can be used in conjunction with municipal bond issues whereby increment is pledged to repayment of the bond issue, or actual increase allocated to an administering agency directly to finance redevelopment activities.

Transfer of Development Rights (TDR): Ability to transfer property entitlements from one property to another when one of the parcels is located in a designated development area.

Transit-Supportive Land Use: Land uses and land use forms supportive of alternative forms of transportation. Typical elements include: high-density residential, employment uses, commercial developments and public spaces.

Turnkey Facilities: Buildings, frequently institutional, developed (and some times managed) by a private entity for another entity. Benefits to developer include a developer fee, management fee, position in the project, etc.

Urban Renewal: Tool used for the purpose of eliminating slum or blighted areas within a municipality, and positioning area for development or redevelopment. Actions under urban renewal include: demolition of structures; construction of infrastructure and public spaces; sale of property; and, relocation of businesses and residents.

Underground Utilities: City works with local utility and cable companies to place all utility lines underground; maintenance, weather-related repairs, and service disruption costs are reduced. City also encourages low-rate programs to assist developers with burying utility infrastructure.

Source: Leland Consulting Group.

Appendix G

Sample Historic Overlay Zoning Regulations

Douglas, Arizona

SECTION 513. HISTORIC PRESERVATION OVERLAY ZONE

Section 513.1

Purpose

The Historical Preservation Overlay Zone is intended to protect and enhance the distinctive character and historical significance of various sections of the City, to protect and preserve buildings of unique, characteristic architecture and to protect and preserve groups of buildings and street facades of historical significance or unique architectural character. Preservation of historical areas and buildings will be a significant factor contributing to the social and economic welfare of inhabitants. The creation of this district is therefore considered to be in furtherance of the health, safety and general welfare of the City.

The (H-P) Historic Preservations Overlay Zone is a supplemental special district which, when superimposed over other zoning district, requires that the plans for all sites, buildings, structures, or appurtenances thereto, to be erected, constructed, converted, established, altered or enlarged within the district to be reviewed and approved by the Building Inspector prior to any construction, removal or site work. Where the work to be done is patently in keeping with the intent and purpose of the historical preservation district no further review or approval other than that of the Building Inspector disapproves of said plans, then the applicant may appeal his decision to the design review board.

In instances involving major reconstruction or additions to buildings or other structures within the historical preservation district which will affect the character of the structure or building or when new construction is involved, the Building Inspector shall call meeting of the design review board for the purpose of reviewing and approving such plans. The Building Inspectors shall also call a meeting of the siding review board whenever he has reason to believe that the work anticipated will be controversial in nature. The Overlay Zoning will also allow the Design Review Board to override parts of this ordinance when it would be impossible to maintain the historic qualities y enforcing all requirements supplemental to the district's primary zoning. This is particularly the case in the downtown district where setbacks and off-street parking requirement cannot be met and keep the historic and unique character of the district.

FIGURE 7.1. POTENTIAL “OLD-TOWN” OVERLAY ZONE

7.4 Historic Preservation Plan

Once historic sites are identified, they can be preserved and enhanced. At the very least they should be kept from falling into disrepair. A key tool to identify and help restore these sites is a historic preservation plan. Such a plan should be developed in order to identify strategies to preserve the Bulverde area’s unique historic resources.

Implementation of the historic preservation plan could include designating historic districts, establishing a historic preservation review board, consistent design standards for historic areas or districts, and designing flexible regulations and incentives for the rehabilitation of historic properties. The plan should also include recommendations for capitalizing on these historic resources as symbols of our heritage.

A historic ordinance should address critical issues that affect historic resources. These can include traffic/automobile dominance, design guidelines, surface parking lots, signage, and street amenities. Related ordinances that can promote historic preservation include tax incentives, a tree and shrub ordinance, and sign and design ordinance. Many Texas communities use historic preservation plans to address the neglect and alteration of historic areas, buildings and the destruction of heritage landscapes with sprawling subdivisions and strip commercial development. A variety of activities can be included in the plan and used to increase public awareness of the value of a community’s historical resources and encourage and assist with preservation efforts. These activities can include developing self-guided tours of historic structures/sites, area ranches and country lanes with rural landscapes, publishing brochures on the history of the community and region, offering advice and incentive programs to those who are restoring historic properties or building structures using the historical vernacular, and spearheading restoration projects.

The preservation plan could include strategies needed to establish the old-town area as an attractive place for both locals and visitors. These strategies could begin with identifying the stakeholders in the old-town area’s revitalization, including merchants, property owners, residents, customers, and government representatives, and bringing them together so that they can express their concerns and discuss them with others. An organization can then be created, either formally or informally, to oversee the continuing development of an implementation plan, and to represent the stakeholders on old-town development issues. The planning process would include conceptualizing the overall design and physical improvements for downtown, conducting a market analysis to be used as a tool in recruiting retail businesses, initiating design guidelines, and generating ideas for special events and promotions. Such a plan should also encourage a mix and variety of land uses as well as a strategy for dealing with parking issues.